

## **BUDGET**

### **Checklist for Final Budget Report:**

The following is a checklist of common problem areas in budgeting for schools. OPI suggests you use it to review final budget reports before submission.

Most budget problems occurring after mills are levied are caused from the \* items.

#### **1. Check Taxable Valuation as entered.**

- a\*. Taxable Valuation entered on budget matches the amount reported to the county and district by the Department of Revenue (DOR) the first Monday of August or any revised reports that were submitted by DOR.
- b. Taxable Valuation should seem reasonable. If changes from the prior year are extreme, either up or down, a reason should be available.
- c. If a joint district, verify taxable values split between counties agree to the values reported on the County FP8a Report.
- d. If a joint district, check ANB split between counties to confirm that ANB reported here matches ANB used to calculate county retirement GTB entitlement. Refer to County FP-8a Report.

#### **2. Check non-levy revenues.**

- a. Non-levy revenues on the TFS should match Treasurer's report for that fiscal year, adjusted for receivables.
- b. Some non-levy revenues (actual prior year) for the General Fund budget must match the non-levy revenues on the accompanying TFS for the General Fund. (OPI Pre-fills)
- c\*. Non-levy revenues estimated for all funds should look reasonable.

#### **3. Check General Fund voted budget amount.**

- a\*. Voted amount on budget matches amount voted on the ballot.
- b. Voted amount may be greater than amount needed but never less.

#### **4. Check reserves.**

- a. General Fund operating reserve is within the limitations: 10% of the

adopted budget or \$10,000, whichever is greater. Smaller schools may want to identify up to \$10,000 in General Fund Operating Reserves rather than reappropriate amounts above 10% of Adopted Budget.

- b. Debt Service Fund operating reserve is within the limitation. MCA, 20-9-438, allows a reserve approximating the payments due between July 1 and November 30 of the ensuing year. However, payments due July 1 should be included in the budget of the prior year and should not be reserved. There should be no operating reserve in the final year in which the bonds are paid.

**5. Check Transportation Fund On-Schedule amounts and budgeted payments.**

- a. Line 3210-State On-Schedule Transportation Reimbursement and Line 2220-County On-Schedule Transportation Reimbursement on the budget should each be one-half of Line 0005-On-Schedule or one-half of Line 0001-Adopted Budget, whichever is less, unless the mill levy is zero.
- b. State will pay valid claims up to the lesser of : The total on Line 3210 or 50% of Line 0001-Adopted Budget. The county will pay valid claims up to the lesser of: the total on Line 2220 or 50% of Line 0001-Adopted Budget.
- c. **Attn: Small districts:** Contingency on Lines 0006 may total at least \$100, even if that exceeds 10% of Line 0005-On-Schedule.
- d. Total state and county payment of claims will be made UP TO the total amount on Line 0005. Be sure this amount is sufficient to cover all valid TR-4 individual reimbursements and TR-1 bus route reimbursements.
- e. State and county reimbursement only covers 180 school days. Line 0011 Over-Schedule budget should include enough to cover special ed 'extended year' transportation beyond 180 days and any additional costs of special ed transportation that exceed the state and county reimbursements.
- f. Adopted Budget should include cost of the transportation program plus Line 0006-Contingency. (i.e., To claim contingency funding, you need budget authority to spend it.)

**6. Check Debt Service Fund budget amounts and verify the accuracy of the MAEFAIRS pre-filled payment amounts.**

- a\*. Bond types are correct. (i.e., Elementary G.O. bond is "BE," etc.)
- b\*. Determine whether 'Issue Date' is accurate.

- c\*. Principal, interest and agent fee amounts must accurately represent obligations of the fiscal year.
- d\*. Check multiple taxing jurisdictions for correct Taxable Valuation, fund balance distributions and School Block Grant payments.
- e\*. The first year's interest and principal payment amounts are budgeted in the Debt Service Fund. The OPI certified advance payment for school facilities may be an estimated revenue to reduce levies mills.

**7. Check Special Education reversion calculation on TFS**

- a\*. Determine whether 'allowable costs' are coded correctly on the Trustees' Financial Summary (TFS), including transfers to coops.
- b. If special education directors are not certified, costs of salaries and administration are not included as allowable costs.
- c. Transfers from coops to districts should be deposited in the Miscellaneous Programs Fund (Fund 15) not the General Fund (Fund 01) and expended by 6/30 or returned to the coop.

**8. Check budget amendment #/ # transfer coding.**

- a\*. Budget amendment and cash and/or budget transfer expenditures are coded in the correct fund using OPI-assigned project reporter codes. (910, 911, 912, etc.)

If you have questions on this checklist, please call Janelle Graybeal at (406) 444-3249 [jgraybeal@mt.gov](mailto:jgraybeal@mt.gov) or Kathleen Wanner at (406) 444-9852 [kwanner@mt.gov](mailto:kwanner@mt.gov).

## **GENERAL INFORMATION**

### **For Assistance Call:**

Janelle Graybeal	444-3249
Kathleen Wanner	444-9852
Denise Ulberg	444-1960

See School Accounting Manual, section 3-0500 for descriptions of revenue items.

**IMPORTANT NOTE:** The amount entered for each fund on Line TFS48 of the Budget **MUST EQUAL** the amount on the balance sheet of the Trustees' Financial Summary, Line 48-Fund Balance for Budget (961-970), for that fund.

**NOTE:** To view book marks, click on "View", "Navigation Panels", and "Bookmarks". This will allow you to jump to the sections you wish to review.

## **BUDGET INSTRUCTIONS**

### **STEP 1: District Taxable Valuation**

Taxable Valuation: Enter the current year certified taxable valuation, provided by the Department of Revenue, no later than the 1st Monday in August. (MCA 15-10-202)

District Mill Value = Taxable Valuation X 0.001 = \_\_\_\_\_

For Joint Districts Only: Enter the ANB and taxable valuation for each county in the joint district.

Certification: All approval agents must sign before the budget is considered final.

## **BUDGET INSTRUCTIONS**

### **STEP 2: Taxing Jurisdiction (Debt Service Only)**

Enter the information for each taxing jurisdiction (i.e., each area that pays separately for a bond, SID, or RID). New taxing jurisdictions may be added each year.

**Note:** Different bonds may have different taxing jurisdictions. Use caution to enter the correct information. Your County Treasurer may be of help in identifying separate taxing jurisdictions.

## **BUDGET INSTRUCTIONS**

### **STEP 3: Bus Depreciation (Buses/Radios)**

#### **Setup Bus Asset:**

MAEFAIRS stores information about each bus and radio previously reported and calculates the levy limit for the budget year. Indicate any new bus or radio purchases here. Enter the amount to be depreciated, up to the limit shown.

Fiscal Year of Purchase (FYOP): Fiscal year the bus or radio was purchased (i.e., 2009 means FY 2008-09).

Cost To District: Original cost to the district of the bus or radio.

Identifying Description: Unique description of the bus or two-way radio.

VIN (Vehicle Identification Number): Actual

Asset has been sold or disposed of Check the box if Yes.

#### **Enter Bus Asset Depreciation:**

Maximum Levy Amount 'Cost to District' for this asset times 20% (0.20). This is the maximum allowed for depreciation this year unless this is the final year of "depreciation".

Levy Amount - Enter the amount to be depreciated this year. This year's levy may not exceed the '20% Limit'. This amount will be levied (and/or collected through receipt of non-levy revenues) in this budget year.

Total Depreciated - Recalculates when the 'Levy Amount' is entered showing total amount depreciated to date for the asset. It must not exceed 150% times the bus' or radio's 'Cost To District'.

**NOTE:** Entering a 'Levy amount' less than the 20% Limit lowers the amount depreciated during the budget year (i.e., less than 20% for this year toward the 150% depreciation limit).

## **BUDGET INSTRUCTIONS**

### **STEP 4: Building Reserve (Elections)**

Voted Reserve Authorities:

Election Date - Date voters approved the building reserve (MM/DD/YYYY).

Total Authorized - Total levy amount authorized by voters.

Years Authorized - Number of years the building reserve levy is authorized for (maximum six (6) years for 'Transition' reserve and twenty (20) years for all others).

Levied Thru Last Year\*- Amount levied in prior years.

Maximum Levy - Maximum levy authorized for the current year. May not exceed the 'Total Authorized' divided by the 'Years Authorized'

Levy Amount - Amount levied for the ensuing fiscal year. The sum of the 'Levied Thru Last Year' and the 'Levy Amount' may not exceed the 'Total Authorized'.

**NOTE:** You may enter a 'Levy Amount' which is less than 'Maximum Levy' if the district wants to use non-levy revenues to lower the amount levied.

\*'Levied Thru Last Year' will not necessarily equal the fund balance or cash balance of this fund, since non-levy revenues also add to the fund balance over time. The fund may accumulate the voted amount authorized plus non-levy revenues.



## **BUDGET INSTRUCTIONS**

### **STEP 5: Debt Service (SIDs/RIDs)**

Complete the 'SIDs/RIDs' section for each taxing jurisdiction before completing the Debt Service Fund (Fund 50) Budget Report. Each taxing jurisdiction may have one or more outstanding bond issues or SIDs/RIDs. Add new SID or RID obligations on the report.

Special Improvement District(s) – SIDs

Rural Improvement District(s) - RIDs

#### **SID/RID Type:**

Enter the program- type of SID/RID (High School/Elementary)

#### **Jurisdiction:**

A taxing jurisdiction is an area in the district that is taxed for a particular purpose, such as a bond payment or SID/RID. Taxing jurisdictions are established and identified by the county assessor. A district may have several bonds or SIDs/RIDs outstanding in one or more taxing jurisdictions.

Enter the levy district code(s) or reference name of the territory to which the bonded indebtedness applies. Any identifier recognized by the district may be used. OPI recommends using the Department of Revenue's taxing jurisdiction identifier.

#### **Amount:**

Enter the SID/RID amount for the fiscal year, as provided by the taxing authority.

## **BUDGET INSTRUCTIONS**

### **STEP 6: Debt Service (Bonds)**

Complete the 'BOND ISSUES' section for each taxing jurisdiction before completing the Debt Service Fund (Fund 50) Budget Report. Each taxing jurisdiction may have one or more outstanding bond issues or SIDs/RIDS. With the exception of agent fees, OPI prefills the bond information. Districts must enter agent fees and accept the annual records.

#### **Jurisdiction:**

A taxing jurisdiction is an area in the district that is taxed for a particular purpose, such as a bond payment or *SID/RID*. Taxing jurisdictions are established and identified by the county assessor. A district may have several bonds or SIDs/RIDs outstanding in one or more taxing jurisdictions.

Original Bond Issue - This information is pre-filled by OPI from the debt schedules provided by the District. Verify the pre-filled information and enter agent fees for each bond issue. Accept the annual record

Eligible Yes – Bond issued after 06/30/91 for consideration for Facilities Acquisition Reimbursements.

No – Bond issued prior to 07/01/91 for consideration for Facilities Acquisition Reimbursements.

As a result of the 2003 Legislative session, effective 07/01/04, all bonds are considered eligible for consideration of Facilities Acquisition Reimbursements. (MCA, 20-9-367)

OPI pre-fills the following information:

Issue Date	Date the bonds were issued (MM/DD/YY).
Maturity Date	Date the obligation will be retired (MM/DD/YY).
Issue Amount	Principal amount of bond sold.
Outstanding	Amount of bond principal outstanding as of 06/30/XX.
Interest*	Interest payments to be charged to budget year.
Principal*	Principal payments to be charged to budget year.

Agent Fees\* - Enter the amount of Agent Fees charged to budget year. Note: Agent Fees are included in the calculation for State Facilities Reimbursement. Therefore, do not overstate Agent Fees. They should be estimated using the best information available and should closely approximate actual fees. Overstating agent fees for shortfalls is not acceptable.

Total - Total of Interest, Principal, and Agent Fees for all issues in this taxing jurisdiction due this budget year under Budget Uses, included on Line 0002-Expenditure Budget.

\*Payments for Principal, Interest and Agent Fees should include the payments due from 7/16 through 7/15 of the following year (i.e., payments due on or before July 15 each year.)

## **BUDGET INSTRUCTIONS**

### **STEP 7: Budget (Funds)**

#### **General Fund (Fund 01)**

##### **Budget Limits**

**0001** Adopted Budget -- Enter the district's General Fund budget as adopted by the district trustees.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0151** Amount Approved on Ballot by Voters -- Enter the amount submitted to and approved by voters, if any. Enter ONLY THE PORTION VOTED, not the entire adopted budget.

##### **Reserves**

**0961** Operating Reserve -- Enter the amount of operating reserves. The maximum General Fund Operating Reserve allowed by law is 10% of the ensuing year's adopted budget or \$10,000, whichever is greater (MCA, 20-9-104)

**0963** Reserve for Unused Protested/Delinquent Taxes -- Enter the amount of the unused reserve for protested/delinquent taxes.

**0964** Reserve for Tax Audit Receipts -- Enter the unexpended balance received from tax audits.

**Note:** To reserve excess funds in the accounts (0963 & 0964), the Operating Reserve (0961) must be at the maximum allowed by MCA 20-9-104

##### **Estimated Funding Sources (Lines 0970-3120)**

**0970** Unreserved Fund Balance Reappropriated -- This amount equals total General Fund Balance for Budget (TSF48), minus Operating Reserves (961), minus Reserve for Protested / Delinquent Taxes (963), minus Reserve for Tax Audit Receipts (964). *MAEFAIRS calculates*

### **Revenues**

**3110** Direct State Aid -- *Prefilled by OPI.*

**3111** Quality Educator -- *Prefilled by OPI.*

**3112** At Risk Student -- *Prefilled by OPI. (No entitlement in FY10 & FY11)*

**3113** Indian Education for All -- *Prefilled by OPI.*

**3114** American Indian Achievement Gap -*Prefilled by OPI.*

**3115** State Special Education Allowable Cost Payment to Districts -- *Prefilled by OPI.*

**3120** State Guaranteed Tax Base Aid – *Prefilled by OPI.* As calculated on V-General Fund Worksheet Line (V-KI).

### **Actual Non-Levy Revenue**

These are revenues that the law requires to be anticipated on the budget using the prior year actual receipts. MAEFAIRS automatically records these revenue estimates using amounts reported on the TFS. These revenue codes include:

**1130** Tax Title/Property Sales

**1510** Investment Earnings

**1800** Community Service Activities

**1900** Other Revenue

**1910** Rentals-Buildings and Equipment

**1920** Contributions/Donations

**1940** Textbook Sale/Rental

**1945** Resale of Supplies/Materials

**1950** Services to Other Schools

**1960** Services to Other Governments

**1970** Services to Other Funds

**1981** Summer School Revenues

**3302** State PLT, FWP

**Anticipated Non-Levy Revenue- Base**

These are revenues the law requires to be anticipated on the budget using the best information available. The revenue codes include:

**1123** Coal Gross Proceeds -- Estimate using the Dept. of Revenue's estimate. (OPI enters).

**3444** State School Block Grant -- For FY10 use FY09 actual receipts times 1.0076. In each succeeding fiscal year use the prior year times 1.0076. *Prefilled by OPI*

**3445** State Combined Fund School Block Grant -- The district must enter all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification Report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an Anticipated Non-Levy Revenue source as shown on the form.

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**Other Non-Levy Revenue**

These are revenues the district may anticipate. Due to the ability to hold these receipts as Excess Reserves, these sources are rarely anticipated and it is not recommended to anticipate them. Types of revenue the district might want to list here include:

**1117** Prior Year Taxes

**1118** Tax Audit Receipts

**1190** Penalties and Interest on Taxes

**Anticipated Non-Levy Revenue- Over-Base**

As of FY03, estimated tuition receipts can be used to fund the Over-BASE budget area. MAEFAIRS automatically applies these revenue sources to the Over-Base budget area. The revenue codes include:

**1310** Tuition from Individuals

**1320** Tuition from In-State Schools

**1330** Tuition from Out-of-State Schools

**3117** State Tuition for students placed in a group home, foster care, or by a state agency/court.

### **Levies**

**1110(a)** Mandatory Non-isolated Levy -- This levy applies only to elementary districts with fewer than 10 budget limit ANB (for two or more consecutive years) that do not meet criteria for isolation status - Matches the amount from the General Fund Limits & Reserves, Line (I-B). *Prefilled by OPI.*

**1110(b)** BASE Levy -- Calculated by MAEFAIRS as follows:  
Adopted BASE budget  
Less: Estimated state revenues  
Less: Unreserved Fund Balance Reappropriated to fund BASE  
Less: Estimated non-levy revenues (except tuition)  
Less: Guaranteed Tax Base Aid

This should be approximately equal to (Taxable Valuation X .001) X BASE Mills.

**1110(c)** Over-BASE Levy -- Calculated by MAEFAIRS as follows:  
Adopted Over-BASE Budget  
Less: Unreserved Fund Balance Reappropriated and Non-Levy Revenue  
(If any is left after funding BASE, resulting in BASE mills = 0)  
Less: Excess Reserves used to fund Over-BASE  
Less: Tuition (estimated revenue for ensuing year)

**1110** District Tax Levy -- Equals the sum of 1110(a), 1110(b) plus 1110(c). *MAEFAIRS calculates*

**0004** Total Estimated Revenues to Fund Adopted Budget -- Equals the sum of Estimated Funding Sources (Lines 0970-3120) plus Actual Non-levy Revenue (Lines 1130-3302) plus Anticipated Non-levy Revenue BASE (Lines 1123-4800), plus Anticipated Non-Levy Revenue Over-BASE (Lines 1310-3117), plus Other Non-levy Revenue (Lines 1117-9710) plus District Tax levy (Line 1110). *MAEFAIRS calculates.*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of Total Estimated Revenues to Fund the Adopted Budget (0004) exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then Line 0004 is reduced to equal Line 0001 and the excess revenue is reported here. *MAEFAIRS calculates*

**NOTE:** If Estimated Funding Sources (Lines 0970-3120) and revenues [ActualNon-levyRevenue (Lines 1130-3302); Anticipated Non-levy Revenue BASE (Lines 1123-4800); and Anticipated Non-Levy Revenue Over-BASE (Lines 1310-3117) and Other Non-levy Revenue (Lines 1117-9710)] do not exceed Line 0001-Adopted Budget, this line will be zero.

See the 'Checklist for Final Budget Report'.



## **BUDGET INSTRUCTIONS**

### **Transportation Fund (Fund 10)**

#### **Transportation Schedule Data Reimbursements**

**General Information:** This fund may budget the 'On-Schedule' costs of bus routes and individual contracts and any 'Over-Schedule' amounts of operating the transportation program. 'On-Schedule' costs are amounts reimbursable by the state and county twice a year in March and June. The state and county each pay up to 50% of 'On-Schedule' costs. 'Over-Schedule' costs are a district responsibility. A reserve of up to 20% of the ensuing fiscal year's budget is authorized. The unreserved fund balance for reappropriation and other estimated revenues must be used first to lower the district levy. Remaining amounts must be used next to lower the county's share of 'On-Schedule' funding. Lastly, the remainder is used to lower the state's share of 'On-Schedule' funding.

Contingency items of 10% or \$100, whichever is greater, may be budgeted. If \$100 is greater than 10%, total regular contingency plus special education contingency cannot exceed \$100. On-Schedule funding for the contingency budget can be paid only if additional contracts, bus routes, or bus route extensions are established after the budget is set for students who become eligible transportees after the beginning of the year. Adopt a budget that adds the contingency amount to the amount needed to run the transportation program.

Total days reimbursed cannot exceed 180 for the year. Only routes approved by the county transportation committee will be reimbursed. Summer routes are not reimbursed.

State funding is paid based on semi-annual claims to OPI. The state will pay the lesser of Line 3210-State On-Schedule Transportation Reimbursement or 1/2 of the adopted fund budget.

**0001** Adopted Budget -- Enter the amount of the Transportation Fund (Fund 10) budget adopted by the Board of Trustees for the ensuing year. Be sure to adopt a budget that allows for contingency.

Example of budgeting to include contingency: Need \$15,000 to fund expenditures for transporting students. Estimated On-Schedule is \$8500, and the remainder will come from local levies and non-levy. The district can budget a contingency amount of 10%, or  $\$8500 \times 0.10 = \$850$ . Add the contingency to the spending estimate to calculate the budget:  $\$15,000 + \$850 = \$15,850 = \text{Adopted Budget}$ .

**Budget Uses:** The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance must equal Line 0001-Adopted Budget.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance. *MAEFAIRS calculates.*

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

### **Transportation Schedule Data**

**0005** On-Schedule -- Enter the sum of estimated individual transportation contract reimbursements (daily contract rates X number of days transported) plus the sum of estimated bus route reimbursements (bus mileage rate X miles X number of days to be transported).

**NOTE:** Total days may not exceed 180 for the year. Summer routes are not reimbursed.

**0006** Contingency -- Enter up to 10% of Line 0005-On-Schedule, or \$100, whichever is more. This amount may be claimed as On-Schedule reimbursement for new contracts and bus route extensions occurring after the budget is adopted.

**0011** Over-Schedule -- The sum of Lines 0005-On-Schedule and Line 0006-Contingency subtracted from Line 0001-Adopted Budget. This is the district's local responsibility. *MAEFAIRS calculates.*

**Fund Balance For Budget:** The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Transportation Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS Calculates.*

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations, up to 20% of the adopted transportation fund budget on Line 0001-Adopted Budget.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. Equals Line TFS48-Fund

Balance for Budget (961-970) minus Line 0961-Operating Reserve. *MAEFAIRS calculates.*

**Estimated Funding Sources** (Lines 1123-9710) -- Enter the amount estimated to be received from each revenue source listed.

**3444** State School Block Grant (SB424) -- For FY10 use FY09 actual receipts times 1.0076. In each succeeding fiscal year use the prior year times 1.0076. *Prefilled by OPI.*

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund or closure/annexation of a district.

### **Reimbursements**

The state and county reimbursements are each half of the On-Schedule amount ('Preliminary' below), except that any amount of unreserved fund balance reappropriated and non-levy revenue that is left after lowering district levies to zero would be used to lower the half of On-Schedule to be paid by the county. If the county's portion is lowered to zero, any remaining amount available would be used to lower the state portion.

MAEFAIRS calculates the PRELIMINARY STATE AND COUNTY REIMBURSEMENT as follows:

Preliminary County Reimbursement = 50% of the sum of Lines 0005 and 0006 = \$ \_\_\_\_\_  
Preliminary State Reimbursement = 50% of the sum of Lines 0005 through 0006 = \$ \_\_\_\_\_

**2220** County On-Schedule Transportation Reimbursement. *MAEFAIRS calculates*

- If Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) minus Over-Schedule (Line 0011) is **positive**, then the County On-Schedule Transportation Reimbursement will equal Preliminary County Reimbursement minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710) plus Line 0011-Over-Schedule. If the result is less than zero, zero is shown.
- If Unreserved Fund Balance Reappropriated (Line 0970) plus estimated funding sources (Lines 1123-9710) minus Over-Schedule (Line 0011) is less than or

equal to zero, then the County On-Schedule Transportation Reimbursement will equal the Preliminary County Reimbursement.

**3210** State On-Schedule Transportation Reimbursement. *MAEFAIRS calculates*

-- If Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) minus Over-Schedule (Line 0011) minus Preliminary County Reimbursement is **positive**, then the State On-Schedule Transportation Reimbursement will equal Preliminary State Reimbursement minus Unreserved Fund Balance Reappropriated (Line 0970) minus Estimated Funding Sources (Lines 1123-9710) plus Over-Schedule (Line 0011) plus Preliminary County Reimbursement. If less than zero, zero is shown.

-- If Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) minus Over-Schedule (Line 0011) minus Calculated County Reimbursement is **negative**, then the State On-Schedule Transportation Reimbursement will equal the Preliminary State Reimbursement.

**1110** District Tax Levy -- MAEFAIRS calculates the District Tax Levy requirement as follows: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Line 2220-County On-Schedule Transportation Reimbursement minus Line 3210-State On-Schedule Transportation Reimbursement minus Estimated Funding Sources (Lines 1123-9710). If less than zero, zero is shown.

**999** District Mills -- Line 1110-District Tax Levy mill requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues to Fund Adopted Budget -- The sum of Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) plus Reimbursements (Lines 2220 and 3210) plus District Tax Levy (Line 1110). *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy, Line 2220-County On-Schedule Transportation Reimbursement and Line 3210-State On-Schedule Transportation Reimbursement are all zero, then the amount of Line 0004-Total Estimated Revenues to Fund Adopted Budget is reduced to equal Line 0001-Adopted Budget and the excess revenue is reported on Line 0004a. If revenues do not exceed Line 0001-Adopted Budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy, Line 2220-County On-Schedule Transportation Reimbursement, and Line 3210-State On-Schedule Transportation Reimbursement must all be zero before an amount can appear on Line 0004a- Estimated Revenues Exceeding Adopted Budget.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Bus Depreciation Fund (Fund 11)**

**General Information:** This fund is used to levy for the accumulation of resources to fund the following allowable uses: 1) Replace, remodel or convert yellow school buses and activities/athletics buses owned by the district; 2) Replace two-way radios used in the transportation program; 3) Purchase additional yellow school buses to be used on bus routes; and 4) Purchase and install video cameras for security on buses. Buses owned by the school and operated for routes or athletics/activities may be 'depreciated.'

The fund may levy up to 20% of each asset's original cost each year and up to 150% of the asset's cost over the years depreciated. There is no limit on the number of year's used to depreciate the asset 150%, but 8 (7.5) years is a minimum.

The levy requirement may be, but is not required to be, lowered using estimated revenues.

Generally, the budget should include the balance accumulated in the fund, plus amounts estimated to be levied and received in the budget year.

District options are to levy up to the total 'Levy amount' up to the '20% Limit' or use estimated non-levy revenues to lower the amount of the tax levy.

-- Use non-levy revenue to reduce the levy amount -- the adopted budget equals the total 'Levy amount' LESS the estimated non-levy revenues plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies the collection of non-levy revenues to REDUCE the 'Levy amount' from the 'Asset Information' list toward the '20% Limit' per year and 150% total asset depreciation limitation.

-- Use non-levy revenue to add budget authority and not reduce the levy amount -- the adopted budget will include the total 'Levy amount' PLUS the estimated non-levy revenues plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies only the total 'Levy amount' from the 'Asset Information' list toward the '20% Limit' per year and 150% total asset depreciation limitation.

**0001** Adopted Budget -- The amount of the Bus Depreciation Fund (Fund 11) budget adopted by the Board of Trustees. *MAEFAIRS calculates*

The adopted budget equals the sum of:

- a) Total 'Levy amount' from the 'Asset Information' list
- b) Line 0970-Unreserved Fund Balance Reappropriated

- c) Line 9100-Other Revenue
- d) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

**AND**

If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount'

- e) Estimated Funding Sources (Lines 1123-3460).

If you checked 'Use non-levy revenue to reduce the levy amount,' the Estimated Funding Sources (Lines 1123-3460) will be used to replace and lower the amount the district will otherwise levy to cover the total 'Levy amount' from the Asset Information list.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance. *MAEFAIRS calculates*

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of any fund balance reserved for operations. There is no legal percentage limit on this reserve, but the district can only reserve an amount up to the fund balance on TFS48. Usually, districts enter zero here and reappropriate the entire fund balance on Line 0970.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. The amount reported here equals Line TFS48 minus Line 0961. OPI recommends reappropriating total fund balance so it will be in the budget in case the district needs to replace a bus. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Bus Depreciation Fund balance from Line 48 -- Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying

Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the form;  
AND

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy --Refer to the 'Asset Information' list previously completed.  
*MAEFAIRS calculates*

-- If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount', then the District Tax Levy is the total 'Levy Amount' from the 'Asset Information' list.

-- If you checked 'Use non-levy revenue to reduce the levy amount', then the District Tax Levy is the total 'Levy amount' from the 'Asset Information' list MINUS the total of Lines 1123-3460.

**999** District Mills -- Line1110-District Tax Levy mill requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*



## **BUDGET INSTRUCTIONS**

### **Tuition Fund (Fund 13)**

**General Information:** This fund is used to pay tuition costs. The tuition fund does not have a reserve. The budget should include tuition the district must pay during the ensuing year for resident students who attended in other school districts the prior school year or for resident students enrolled in a day-treatment program under an approved individualize education program at a private, non-sectarian school located in or outside the student's resident district.

**0001** Adopted Budget -- Enter the amount of the Tuition Fund (Fund 13) budget adopted by the Board of Trustees. The adopted budget should be the total amount needed to pay tuition in the budget year, based on approved attendance agreements for attendance in the previous school year. (i.e., Tuition for attendance during school year 2008-09 should be budgeted and paid during FY 2009-10.)

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0970** Unreserved Fund Balance Reappropriated -- The amount from Line TFS48.

**TFS48** The amount of the Tuition Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3110** Direct State Aid -- Estimate if the district will receive Direct State Aid to reimburse tuition paid to a public school out of state or to a private, non-sectarian school.

- 3445** State Combined Fund School Block Grant (SB424) – The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.
- 9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the form;  
**AND**
- 9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.
- 1110** District Tax Levy – MAEFAIRS calculates the District Tax Levy requirement as follows: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710).
- 999** District Mills -- Line 1110-District Tax Levy mill requirement divided by (Taxable Valuation times 0.001). Rounded to nearest XX.XX. *MAEFAIRS calculates*
- 0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*
- 0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.  
*MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Retirement Fund (Fund 14)**

**General Information:** This fund is used to pay the employer contributions to Teachers' Retirement System, Public Employees' Retirement System, unemployment insurance, social security, and Medicare for: 1) a district employee whose salary and health related benefits are paid from state or local sources; 2) a coop employee whose salary and health related benefits are paid from the coop's Interlocal Agreement Fund (Fund 82) if the fund is supported solely from districts' General Funds (Fund 01) and state special education allowable cost payments paid from the miscellaneous programs fund from money received from the Medicaid program; or 3) a district employee whose salary and health benefits are paid from school food services and a district employee whose salary and health-related benefits, if any health related benefits are provided to the employee, are paid from the district Impact Aid fund. The fund cannot be used to pay 1) retirement incentives; 2) any portion of a retirement fund contribution on behalf of an employee (only the employer's contributions can be paid from the fund); 3) any amount paid to an employee directly (only payments to TRS, PERS, FICA, and unemployment insurance carriers are allowable). It is funded by a countywide retirement levy. An operating reserve of up to 35% of the ensuing year's budget is permitted.

**NOTE:**In 2005 and in each succeeding year, employer contributions to Teachers' Retirement System, Public Employees' Retirement System, unemployment insurance, social security, and Medicare for district employees whose salaries are paid from a federal source cannot be charged to the Retirement Fund.

**0001** Adopted Budget -- Enter the amount of the Retirement Fund (Fund 14) budget adopted by the Board of Trustees. This amount is the estimated payment for the employer's contributions to the Teachers' Retirement System, Public Employees' Retirement System, unemployment insurance, social security, and medicare for state and locally funded staff and school foods staff. The estimate may include amounts for contingency to cover unanticipated obligations that occur after the budget is adopted, such as hiring new employees and aides.

**NOTE:**To recover from a negative balance, add the negative balance to the amount to be adopted as a budget.)

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.

**NOTE:**Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to

allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of fund balance to be reserved for operations, up to 35% of the adopted retirement fund budget on Line 0001.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. Must equal TFS48 minus Line 0961-Operating Reserve. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Retirement Fund balance for budget from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is shown. *MAEFAIRS calculates*

**Estimated Funding Sources (1510-9710)** -- Enter the amount estimated to be received by the district from investment earnings and other sources.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**2240** County Retirement Distribution -- Line 0001-Adopted Budget minus the sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1510-9710). *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1510-9710) plus Line 2240-County Retirement Distribution. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceed Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 2240-County Retirement Distribution is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget.

If revenues do not exceed the adopted budget, this line will equal zero.  
*MAEFAIRS calculates*

**NOTE:**Line 2240-County Retirement Distribution must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Adult Education Fund (Fund 17)**

#### **General Information:**

Whenever a district operates an adult education program, this fund must be used. Taxes levied for support of the fund and student fees for adult education are deposited in this fund.

The adult education mill levy is not limited. (20-7-705, MCA)

Federal and state money for adult education must be deposited in the Miscellaneous Programs Fund (Fund 15).

**0001** Adopted Budget -- Enter the amount of the Adult Education Fund (Fund 17) budget adopted by the Board of Trustees. The budget should include the total district levies, non-levy revenues, and participant fees.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Adult Education Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations, up to 35% of the adopted Adult Education budget on Line 0001.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. Must equal TFS48 less Line 0961-Operating Reserve. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy -- District Tax Levy requirement: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710). *MAEFAIRS calculates*

**999** District Mills -- Line 1110-District Tax Levy mill requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- (RARE) If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported here. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Non-Operating Fund (Fund 19)**

**General Information:** This fund is used by non-operating districts only. It is used to pay costs of running the school during non-operating status, including any administration, tuition, and transportation costs.

**0001** Adopted Budget -- Enter the amount of the Non-Operating Fund (Fund 19) budget adopted by the Board of Trustees. It should include all costs of administration, tuition, and transportation costs and contingency transportation reimbursement.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations. In accordance with 20-9-505, MCA, the operating reserve of a non-operating district may not exceed the district's General Fund reserve for the prior school year. After the first year of non-operating status, the operating reserve must be zero.

**0970** Unreserved Fund Balance Reappropriated -- The amount of any fund balance reappropriated to fund the ensuing year's budget. Equals the amount on Line TFS48 minus the amount on Line 0961-Operating Reserve. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The sum of fund balances for all funds from Line 48-Fund Balance for Budget (961-970) of the accompanying Trustees' Financial Summary, unless that sum is negative. If the sum is negative, zero is reported here. *MAEFAIRS calculates*



**EXCEPTION:** If the district has an active debt service fund or miscellaneous programs fund for the ensuing year, the balances of those funds remain in the funds and do not transfer to the non-operating fund.

### **On-Schedule**

Transportation Schedule Data -- For Lines 0005 and 0006, enter the amounts calculated by the county superintendent in accordance with 20-10-141 and 142, MCA.

**0005** On-Schedule -- Enter the sum of anticipated individual transportation contract reimbursements (daily contract rates X # of days to be transported) plus the sum of anticipated bus route reimbursements (bus rate X miles X # of days to be transported). Total days may not exceed 180 for the year.

**0006** Regular Education Contingency -- Up to 10% of Line 0005-On-Schedule, or \$100, whichever is greater. Be sure this amount is included on Line 0001-Adopted Budget.

**0011** Over-Schedule -- The sum of Lines 0005-On-Schedule and Line 0006-Contingency subtracted from Line 0001-Adopted Budget. This is the district's local responsibility. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

### **Reimbursements**

**2220** County Transportation Reimbursement -- If Line 1110 equals zero, then Line 2220 equals Line 0001 minus Line 0970 minus Estimated Funding Sources (Lines 1123-9710) minus Line 3210. *MAEFAIRS calculates*

**3210** State Transportation Reimbursement -- If BOTH Line 1110 and Line 2220 equal zero and total revenues exceed the budget, then Line 3210 equals Line 0001

minus Line 0970 minus Estimated Funding Sources (Lines 1123-9710). If amount is negative, then zero is reported. *MAEFAIRS calculates*

**1110** District Tax Levy -- MAEFAIRS Calculates the District Tax Levy requirement as follows: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710) minus Line 2220-County On-Schedule Transportation Reimbursement minus Line 3210-State On-Schedule Transportation Reimbursement.

**999** District Mills -- Line 1110-District Tax Levy mill requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Reimbursements (Lines 2220 and 3210) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- (RARE) If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported here. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Technology Acquisition and Depreciation (Fund 28)**

**General Information:** This fund is used for the purchase, rental, repair, and maintenance of technology equipment and computer network access. It can be funded by a levy of up to 20% of the cost of computer equipment and computer network access, not to exceed 150% of the cost over time. The fund may also be used for state, federal and private grants and donations received for technology.

Generally, a district will adopt a budget that includes:

- 1) The estimated State Technology Grant;
- 2) Any fund balance reappropriated that will be spent in the budget year;
- 3) The amount of taxes to be levied for the ensuing year (subject to voter approval), net of any estimated non-levy revenues used in place of levies (optional);
- 4) Estimated non-levy revenues that will be spent, rather than be used to lower the amount levied;
- 5) State, federal, and private grants or donations that will be spent in the budget year.

The amount levied in a year is limited to 20% of the cost of computer equipment and computer network access, up to 150% of the cost over time. Any increase in taxes from the previous year is subject to voter approval.

In MAEFAIRS, on the Levy Tab, select option regarding whether an election approved a levy amount.

- No -- No election was held and Line 1110-District Tax Levy equals zero because no levy was approved. No entry can be made on Line 1110 in MAEFAIRS.
- Yes -- An election was held and a levy passed. Line 1110-District Tax Levy equals an amount up to the amount approved on the ballot. Non-levy revenues (Lines 1123-3460) can be used to lower the amount of the tax levy.

#### **0001** Adopted Budget – *MAEFAIRS calculates*

The adopted budget equals the sum of:

- a) Estimated Funding Sources (Lines 1123-3460)
- b) Line 0970-Unreserved Fund Balance Reappropriated
- c) Line 9100-Other Revenue
- d) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

**AND**

If you checked 'Yes' that you did have an election,

e) Line 1110-District Tax Levy

If you checked 'No' you did not have an election, no district tax levy applies to the adopted budget.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount on Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Enter an amount from zero (to budget to spend entire fund balance) up to the amount of Line TFS48 (to budget to spend only a portion of the fund balance).

**0970** Unreserved Fund Balance Reappropriated -- The amount of Line TFS48 minus 0961. This is the amount to be spent, if needed, in the budget year. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Technology Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate GRANTS and other revenue types that do not apply to the Estimated Funding Sources as listed on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy -- Enter the amount of the intended tax levy. The district should keep documents that verify:

- 1) The amount of taxes to be levied is not greater than 20% of the cost of the computer equipment and network access being 'depreciated', up to 150% over time;

**AND**

- 2) Voter approval has been obtained, as necessary, under MCA 20-9-533.

**999** District Mills -- Line 1110-District Tax Levy mill requirement divided by (Taxable Valuation times 0.001) as approved by DOR, rounded to nearest XX.XX.  
*MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.  
*MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Flexibility Fund (Fund 29)**

General Information: This fund can be used as specified in MCA 20-9-543. It is funded by the State Flexibility Payment (revenue source 3282), an optional, annual, voted levy of up to 25% of the estimated State Flexibility Payment, and non-levy revenues. Non-levy revenues will probably be interest and, if the district chooses, State Combined Block Grant monies. In future years, any non-levy revenues that are distributed based on prior year mills will be deposited in the Flexibility Fund relative to the number of mills levied in the fund.

Generally, a district will adopt a budget that includes:

- 1) The estimated State Flexibility Payment - no appropriation for FY10;
- 2) Levy amount approved by voters (up to 25% of the estimated state payment) – no levy allowed for FY10;
- 3) Estimated interest and any other non-levy revenues.

#### **0001 Adopted Budget -- MAEFAIRS calculates**

The adopted budget equals the sum of:

- a) Line 3282-State Flexibility Payment (estimate) – no appropriation for FY10
- b) Lines 1123-3460-Estimated Funding Sources
- c) Line 0970-Unreserved Fund Balance Reappropriated
- d) Line 9100-Other Revenue
- e) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

#### **0002 Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.**

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

#### **0003 Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.**

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Enter an amount from zero (to budget to spend entire fund balance) up to the amount of Line TFS48 (to budget to spend only a portion of the fund balance).

**0970** Unreserved Fund Balance Reappropriated -- The amount of Line TFS48 minus 0961. This is the amount to be spent, if needed, in the budget year.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Flexibility Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate GRANTS and other revenue types that do not fit an anticipated revenue source shown on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Debt Service Fund (Fund 50)**

**General Information:** This fund is used to pay debt service payments for principal and interest on bonds or Special Improvement Districts, (SIDs, RIDs). The expenditure budget of the fund should include both the principal and interest payments due on bonds for each fiscal year of the bond term. OPI recommends a district budget and pay the obligations due 1/1 and 7/1 in each budget year. (i.e., Payments due 1/1/10 and 7/1/10 should be budgeted and paid in FY2009-10. In other words, if a payment is due 7/1/09, OPI recommends including this payment in the budget of the year just ending 6/30/09.)

If a negative fund balance exists because of debt obligations paid or revenue shortfalls incurred in previous years, the negative balance may be added to the budget for the ensuing year by entering the amount under 'Add to Fund Balance line 0003, Debt Service Fund Budget Report.' A reserve approximating the payments due between 7/1 and 11/30 of the ensuing year are allowed pursuant to MCA, 20-9-438. OPI recommends payments between 7/1 and 7/15 be included in the ensuing year's budget. Other available fund balance must be reappropriated to fund the budget.

### **Taxable Valuation**

The taxable valuation of the territory ('Taxing Jurisdiction') to which the bonded indebtedness applies. The jurisdiction's taxable valuation entered here may be different than the taxable valuation of the district.

**0001** Adopted Budget -- The Adopted Budget is calculated by MAEFAIRS. The Budget Report includes the sum of all obligations for bond payments (principal, interest, and agent fees) and SIDs/RIDs plus the amount needed to eliminate a deficit fund balance as entered on Line 0003-Add To Fund Balance.

**0002** Expenditure Budget -- The amount of planned expenditures. Must equal the totals for Bond Issues and SIDs/RIDs as listed for this taxing jurisdiction, on the bottom of the page. *MAEFAIRS calculates*

**0003** Add to Fund Balance -- Enter the amount of additions to fund balance to eliminate a negative fund balance or to add to reserves.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget plus Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations for debt service obligations of this taxing jurisdiction. In accordance with 20-9-438(3), MCA, the trustees may designate a limited operating reserve for the purpose of paying warrants and bond obligations that must be paid from July 1 through November 30 during the ensuing fiscal year.



**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated for funding the ensuing year's budget for this taxing jurisdiction.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated FOR ALL the TAXING JURISDICTIONS; must equal TFS48 on TFS Report.

**TFS48** The amount of the Debt Service Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, EVEN IF the balance is negative. This amount is the fund balance associated with this taxing jurisdiction. *MAEFAIRS calculates*

**Estimated Funding Sources (1123-9710)** -- Enter the amount estimated to be received from each revenue source listed for this taxing jurisdiction.

**3445** State Combined Fund School Block Grant (3445) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification Report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit the Estimated Funding Sources as listed on the Budget Report.

State Facilities Acquisition Advance Payment (not reimbursement): Districts that receive a State Facilities Acquisition Advance Payment in the first year of the bond obligation should include the anticipated advance amount on Line 9100-Other Revenue.

**9710** Residual Equity Transfers In -- Anticipated transfer from the closure of another fund or impact aid revenue per MCA 20-9-437.

**1110** District Tax Levy -- The District Tax Levy requirement: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710).

**999** Jurisdiction Mills -- This taxing jurisdiction's tax levy requirement on Line 1110-District Tax Levy divided by (this jurisdiction's Taxable Valuation times 0.001). This jurisdiction's Taxable Valuation is the amount listed on the top of the Debt Service Fund Budget Report. Rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy.

**0004a** Estimated Revenue Exceeding Adopted Budget -- If the amount of Total Estimated Revenues to Fund Adopted Budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported here. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.  
*MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Building Reserve Fund (Fund 61)**

**General Information:** This fund accumulates funding for future construction, and equipping or enlarging of school buildings, or for the purpose of purchasing land needed for school purposes, on authority of a voted levy. The fund can also be used to levy for transitional costs associated with opening, closing, or building a school. (MCA, 20-9-502)

A building reserve tax authorization may not exceed twenty (20) years. For transition costs, the authorization may not exceed six (6) years.

Generally, a district budgets one of two ways:

- 1) Adopted Budget includes the accumulated fund balance plus any amount levied for the ensuing year, plus any estimated non-levy revenues. The total fund balance is then reappropriated to fund the budget;  
**OR**
- 2) Adopted Budget includes only the amount of the authorized levy. The accumulated fund balance is placed on Line 0961-Operating Reserve. No fund balance is reappropriated. The estimated non-levy revenues may or may not be used to lower the levy.

The amount levied in a year is limited to the total authorized by the vote, divided by the number of years authorized. The levy may be reduced, but is not required to be reduced, by estimated non-levy revenues.

District options are to levy the total 'Levy Amount' up to the 'Maximum Levy' or use estimated non-levy revenues (Lines 1123-3460) to lower the amount of the District Tax Levy.

- 1 -- Use non-levy revenue to reduce the levy amount -- the adopted budget equals the total 'Levy Amount' LESS the estimated non-levy revenues (Lines 1123-3460) plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies the collection of non-levy revenues to REDUCE the 'Levy Amount' from the 'Voted Reserve Authorities' list toward the 'Maximum Levy'.

- 2 -- Use non-levy revenue to add budget authority and not reduce the levy amount -- the Adopted Budget will include the total 'Levy Amount' PLUS the estimated non-levy revenues (Lines 1123-3460) plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies ONLY the total 'Levy Amount' from the 'Voted Reserve Authorities' list toward the 'Maximum Levy'.

**NOTE:** Entering a 'Levy Amount' less than 'Maximum Levy' lowers the amount depreciated during the budget year.

**0001** Adopted Budget -- The amount of the Building Reserve Fund (Fund 61) budget adopted by the Board of Trustees. *MAEFAIRS calculates*

The adopted budget equals the sum of:

- a) Total 'Levy Amount' from the 'Voted Reserve Authorities' list
- b) Line 0970-Unreserved Fund Balance Reappropriated
- c) Line 9100-Other Revenue
- d) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

**AND**

If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount'

- e) Estimated Funding Sources (Lines 1123-3460).

If you checked yes, 'Use Estimated Non-Levy Revenue to Lower Levies,' the Estimated Funding Sources (Lines 1123-9710) will be used to replace and lower the amount the district would otherwise levy to cover the total 'Levy Amount' from the 'Voted Reserve Authorities' list.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless you choose to enter an amount to Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount to Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Either enter zero (budget all) or any amount of TFS48 that the district does not intend to spend in the budget year.

**0970** Unreserved Fund Balance Reappropriated -- The amount of Line TFS48 minus 0961-Operating Reserve. This amount will be included in the budget authority.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Building Reserve Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported.  
*MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit the Estimated Funding Sources as listed on the form;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy -- Refer to the 'Voted Reserve Authorities' list previously completed.

-- If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount', then the district tax levy will equal the total 'Levy Amount' from the 'Voted Reserve Authorities' list.

-- If you checked yes, 'Use Estimated Non-Levy Revenue to reduce the levy amount', then the district tax levy will equal the total 'Levy amount' from the 'Voted Reserve Authorities' list MINUS the sum of Lines 1123-3460.

**999** District Mills -- Line 1110-District Tax Levy divided by (Taxable Valuation times 0.001) as provided by DOR. Rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy.

See the 'Checklist for Final Budget Report'.

## **MAEFAIRS Generated Reports**

### **Budget Summary:**

The Budget Summary Report is generated by MAEFAIRS after all individual budgets have been entered.

#### **Adopted Budget Column [B]**

This is the amount from Line 0001 for each budget on pages 5 through 15.

#### **Total Reserves (961-966) Column [C]**

The sum of reserves 961, 963, and 964 for the General Fund and 961 for other funds. General Fund reserves are shown on the General Fund Limits & Reserves Worksheet, lines (III-A) and (III-B). Other funds' reserves are shown on the individual fund budget pages, line 0961-Operating Reserve.

#### **% of Adopted Budget Reserved Column [E]**

Column [C] divided by Column [B] and multiplied by 100. In the General Fund, a limit of \$10,000 or excess reserves may cause the percentage of reserves to exceed 10%.

#### **Unreserved Fund Balance Reappropriated (970) Column [F]**

The amount of fund balance reappropriated for each fund. For the General Fund, this equals Line (III-C) from the General Fund Limits & Reserves Worksheet. For other funds this equals Line 0970-Unreserved Fund Balance Reappropriated from the individual fund budget pages.

#### **Other Revenue Column [G]**

The total funding sources other than Line 1110-District Tax Levies and Line 0970-Unreserved Fund Balance Reappropriated used to fund the budgets.

- General Fund -- The sum of Lines 3110, 3111, 3112, 3113, 3114, 3115, 3120 and 1123 through 9710 from the General Fund Budget page.
- Transportation Fund -- The sum of Estimated Funding Sources, Lines 1123-9710 and Lines 2220 and 3210.
- Retirement Fund -- The sum of Estimated Funding Sources, Lines 1510-9710 and Line 2240-County Retirement Distribution.
- All other funds -- The sum of Estimated Funding Sources Lines 1123-9710.

#### **District Property Tax Requirements Column [H]**

Column [B] minus Column [F] minus Column [G]. If less than zero, then zero is prefilled. This should equal the total of Line 1110-District Tax Levy on each individual budget page.

#### **District Mill Levies Column [I]**

District Property Tax Requirements (Column H) divided by [Taxable Valuation multiplied by 0.001].

#### TOTAL OF ALL FUNDS

The total of each column for all funds.

**NOTE:** If revenues exceed adopted budget, totals will not balance. The difference will be the amount of excess revenues on Line 0004a-Estimated Revenues Exceeding Adopted Budget of the General Fund Budget page.

## Gen Fund Limits & Reserves Worksheet

**PREFILLED INFORMATION:** Check the prefilled information on Lines (I-A) through (II-K) of the General Fund Limits & Reserves Worksheet. Use the FY10 Preliminary Budget Data Sheets found on the OPI web page <http://www.opi.mt.gov> in the <School Finance> area to double check the prefilled information. Contact Kathleen Wanner at OPI (406-444-9852) if any prefilled information is incorrect.

### **PART I.** Certified Budget Data--MAEFAIRS prefills Lines (I-A) through (I-J).

Preliminary budget data was posted to the website, and an Official Email was sent to all districts in March. During legislative sessions, subsequent updates are sent as necessary to document legislative changes in May. If you notified OPI about an error in your preliminary budget data, the error should have been corrected and the change(s) reflected in the final budget data shown here. Budget data provided in this section is certified by the OPI; districts must use these certified amounts to complete the Final Budget Report.

### **PART II.** General Fund Budget Limits--This part has calculated a district's minimum/maximum budget limits and requires voted budget amount information input.

Prior Year Budget Data -- The amounts on (II-A) through (II-E) came directly from, or were calculated from, the district's final budget for the prior year as submitted to and accepted by OPI. The district has been notified if ANB changes due to audits have caused these amounts to be recalculated.

Current Year Budget Data -- MAEFAIRS prefills II-F through II-K.

**II-L.** Amount Approved on Ballot by Voters -- The amount submitted to and approved by voters, if any.

**II-M.** Adopted Budget -- The district's General Fund budget as adopted by the district trustees. The adopted budget must be within the limits calculated in Part II.

### **PART III.** General Fund Balance For Budget As of June 30 -- This section is used to report how much of the district's spendable General Fund balance as of the most recent year's end is being reappropriated to fund the ensuing year's budget, and how much is being reserved, or set aside, for other purposes. The total of amounts on (III-A) through (III-C) must equal the amount on (III-D).

**III-A.** Operating Reserve (961) -- The maximum General Fund Operating Reserve allowed by law is 10% of the ensuing year's adopted budget (II-M) or \$10,000, whichever is greater (MCA, 20-9-104)



**III-B.** Excess Reserves -- If General Fund Reserves exceed 10% of the Adopted Budget (or \$10,000, if greater), any excess reserves must be identified as one or more of the following:

- (III-B1)**      Reserve for Unused Protested/Delinquent Taxes (963)
- (III-B2)**      Reserve for Tax Audit Receipts (964)

To reserve excess funds in these accounts (963 + 964), the Operating Reserve (961) must be the maximum amount allowed per MCA 20-9-104

**III-C.** Unreserved Fund Balance (970) -- Equals the difference between the amount on (III-D) and the sum of (III-A) and (III-B). The amount reported as Unreserved Fund Balance (970) is separated into:

**(III-C1)** Prior Year Excess Reserves Reappropriated (Over-BASE Only) (970a)  
The unexpended amount of Excess Reserves reported at prior fiscal year end (i.e., reported on the prior year's final budget form, General Fund Limits & Reserves Worksheet) that will be used to fund the ensuing year's over-BASE budget.

**(III-C2)** Remaining Fund Balance Available (970b) -- The difference between the amount on (III-C) and the amount on (III-C1).

**III-D.** TOTAL GENERAL FUND BALANCE FOR BUDGET (TFS48) -- The amount reported on (III-D) **MUST EQUAL** the amount reported on Line 48-Fund Balance for Budget (961-970) on the Balance Sheet of the accompanying Trustees' Financial Summary (TFS), unless Line 48 is negative. If TFS Line 48 is negative, then the amount is zero.

#### K-12 BASE Ratios

**PART IV.** District GTB Subsidy Worksheet for K-12 Districts -- Completed for K-12 districts only. If the district is not a K-12 district, Part IV will not appear on the district budget form. Go to Part V.

**(IV-A) through (IV-J)** are prefilled by OPI. This section shows the 'Subsidized BASE Ratio,' which is the percentage of the K-12 BASE that will be funded with elementary Guaranteed Tax Base (GTB) subsidies and high school GTB subsidies.

## **General Fund Worksheet:**

### **PART V. General Fund Worksheet**

#### **General Fund Budget:**

**(V-A)** Adopted General Fund Budget -- The amount from (II-M) of the General Fund Limits & Reserves Worksheet.

**(V-A1)** BASE Budget Limit -- The BASE budget amount from ( II-G) of the General Fund Limits & Reserves Worksheet.

**(V-A2)** Over-BASE Budget -- If (V-A) exceeds (V-A1), (V-A1) is subtracted from (V-A) and the difference is shown here.

#### **Funding The BASE Budget:**

**(V-B)** Direct State Aid -- Amount shown is the sum of (I-A) and (I-B) from the General Fund Limits & Reserves Worksheet.

**(V-B1)** Direct State Aid Paid By State -- Equals (I-A) from the General Fund Limits and Reserves Worksheet.

**(V-B2)** Direct State Aid Paid By Non-Isolated District -- Equals (I-B) from the General Fund Limits & Reserves Worksheet.

**(V-C)** Quality Educator -- Equals (I-C) from the General Fund Limits & Reserve Worksheet.

**(V-D)** At Risk Student -- Equals (I-D) from the General Fund Limits & Reserve Worksheet. Note: There is no At Risk Student Entitlement in FY10 or FY11.

**(V-E)** Indian Education For All -- Equals (I-E) from the General Fund Limits & Reserve Worksheet.

**(V-F)** American Indian Achievement Gap -- Equals (I-F) from the General Fund Limits & Reserve Worksheet.

**(V-G)** Special Education Allowable Cost Payment -- Equals (I-G) from the General Fund Limits & Reserves Worksheet.

**(V-H)** Remaining Fund Balance Available -- Equals (III-C2) from the General Fund Limits & Reserves Worksheet.

**(V-I)** Non-levy Revenue total (V-I1) + (V- I2)

**(V-I1)** Actual Non-levy Revenue – The sum of lines 1130-3302 from the General Fund Budget Worksheet. This amount is the actual receipt shown on the Trustees' Financial Summary (TFS) for the revenue codes listed.

**(V-I2)** Anticipated Non-levy Revenue – The sum of lines 1123-4800 from the General Fund Budget Worksheet.

**(V-J)** Other Anticipated Revenue – Equals the sum of lines 1117 – 9710 – Other Non-levy Revenue from the General Fund Budget.

**NOTE:** As of FY03, estimated tuition receipts can be used to fund the Over-BASE budget area.

**(V-K)** BASE Levy Requirements -- BASE Budget limit (V-A1) minus the sum of (V-B) through (V-J). (V-K) is funded by Guaranteed Tax Base Aid (GTBA) (if eligible) and district tax levies. If less than zero, then the amount is zero.

**(V-K1)** Guaranteed Tax Base Aid:

The following calculation is used for Elementary and High School Districts:

- |    |  |      |       |
|----|--|------|-------|
| a. | District Taxable Valuation   | (1a) | _____ |
| b. | District Mill Value [(1a) X 0.001]   | (1b) | _____ |
| c. | District GTB Subsidy Per Mill (I-I) or (I-J)<br>(General Fund Limits & Reserves Worksheet) | (1c) | _____ |
| d. | Adjusted Mill Value for BASE Levy (1b) + (1c)  | (1d) | _____ |
| e. | BASE Levy Requirements (V-K)<br>(General Fund Worksheet)                                   | (1e) | _____ |
| f. | BASE MILLS REQUIRED (1e) divided by (1d)<br>(Rounded to the nearest XX.XX)                 | (1f) | _____ |

Guaranteed Tax Base Aid (1c) X (1f) \_\_\_\_\_

The following calculation is used for Existing & transitioning K-12 Districts:

- |     |  |       |       |
|-----|--|-------|-------|
| a.  | District Taxable Valuation   | (1a)  | _____ |
| b.  | District Mill Value [(1a) X 0.001]   | (1b)  | _____ |
| c1. | District Elem GTB Subsidy Per Mill (I-I)<br>(General Fund Limits & Reserves Worksheet)   | (1c1) | _____ |
| c2. | District HS GTB Subsidy Per Mill (I-J)<br><br>(General Fund Limits & Reserves Worksheet) | (1c2) | _____ |
| d1. | Adjusted Mill Value for Elem BASE Levy<br>(1b) + (1c1)                                   | (1d1) | _____ |
| d2. | Adjusted Mill Value for HS BASE Levy<br>(1b) + (1c2)                                     | (1d2) | _____ |
| e1. | BASE Levy Requirements for Elem<br>(V-K) X (IV-J Elem) (K-12 BASE Ratios page)           | (1e1) | _____ |

- e2. BASE Levy Requirements for HS  
(V-K) X (IV-J HS) (K-12 BASE Ratios page) (1e2) \_\_\_\_\_
- f1. BASE MILLS REQUIRED FOR ELEM  
(1e1) divided by (1d1) (Rounded to the nearest XX.XX)(1f1) \_\_\_\_\_
- f2. BASE MILLS REQUIRED FOR HS  
(1e2) divided by (1d2) (Rounded to the nearest XX.XX)(1f2) \_\_\_\_\_
- Guaranteed Tax Base Aid  
[(1c1) X (1f1)] + [(1c2) X (1f2)] \_\_\_\_\_

**(V-K2)** District Property Tax Levy to Fund BASE (BASE Levy) -- Guaranteed Tax Base Aid (V-K1) is subtracted from (V-K). This should be approximately equal to (Taxable Valuation X .001) X BASE Mills.

To check this amount:

- For Elementary and High School districts: Multiply (1b) times (1f). This amount should be within a few dollars of (V-K2). Rounding of mills to XX.XX will cause some difference.
- For K-12 districts: Multiply (1b) x [(1f1) + (1f2)]. This amount should be within a few dollars of line (V-K2). Rounding of mills to XX.XX will cause some difference.

**(V-L)** Subtotal of BASE Budget Revenue -- The sum of (V-B) through (V-K). This amount must equal or exceed the amount on (V-A1).

### **Funding the Over-BASE Budget:**

**(V-M)** Fund Balance & Non-Levy Revenue Available To Fund Over-BASE -- If (V-L) exceeds Line (V-A1), Line (V-A1) is subtracted from (V-L) and the difference is shown here.

**NOTE:** Estimated tuition receipts can be included here to fund the Over-BASE Budget area.

**(V-N1)** Prior Year Excess Reserves Reappropriated (Over-BASE Only) -- The amount from (III-C1) from the Gen Fund Limits & Reserves Worksheet.

**(V-N2)** Tuition (Over-BASE Only) -- The amount of tuition (1310, 1320, 1330, 3117) anticipated to be deposited into the General Fund for the budget year.

**(V-O)** District Property Tax Levy to Fund Over-BASE Budget (Over-BASE Levy) -- The sum of Lines (V-M) and (V-N) subtracted from (V-A2).

**NOTE:** If the result is negative and BASE mills are zero, then the amount is zero. The amount on V-O is comprised of estimated revenue that exceeds the amount needed to fund the adopted budget.

**(V-P)** Subtotal of Over-BASE Revenue -- The sum of (V-M) through (V-O). This amount must equal or exceed the amount on (V-A2).

**Mill Levies:**

District General Fund Mill Levies -- Lines (V-Q) through (V-U) are calculated as follows, using amount from individual fund budget pages.

**(V-Q)** District Non-Isolated Mills -- Line (V-B2) divided by the district taxable valuation times 0.001.

**(V-R)** BASE Mills-Elementary -- Line (V-K1f) BASE MILLS REQUIRED from the General Fund Budget Summary Report

Elementary BASE Mills-K-12 Schools --Line (V-K1f1) BASE MILLS REQUIRED FOR ELEM from the General Fund Budget Summary Report

**(V-S)** BASE Mills-High School -- Line (V-K1f) BASE MILLS REQUIRED from the General Fund Budget Summary Report

High School BASE Mills-K-12 Schools -- Line (V-K1f2) BASE MILLS REQUIRED FOR HS from the General Fund Budget Summary Report

**(V-T)** Over-BASE Mills -- Line (V-O) divided by the district mill value, which is (V-K1b) District Mill Value or taxable valuation times 0.001. Round to the nearest XX.XX mills.

**(V-U)** Total General Fund Mills -- The sum of (V-Q) plus (V-R) or (V-S) plus (V-T). K-12s: The sum of (V-Q) plus (V-R) plus (V-S) plus (V-T).

## **TFS Instructions**

**PLEASE READ AND FOLLOW ALL INSTRUCTIONS CAREFULLY.**

### **FOR ASSISTANCE CALL:**

Rebecca Phillips 444-0783

Denise Ulberg 444-1960

### **Who Completes the Trustees' Financial Summary (TFS):**

Each elementary and high school district and full service/special education cooperative must file an annual TFS. All elementary, high school, K-12, and cooperatives must complete a Project Reporter Code Report; a Balance Sheet for each fund; a Schedule of Revenues, Expenditures and Change in Fund Balance for each fund; and a Detail expenditure Report.

### **What Information to Report:**

Report amounts from the accounting records for the fiscal year **after all necessary fiscal year-end adjusting and closing entries have been properly recorded.**

### **Where to Find Help for Year-End Adjustments and Closing Procedures:**

Refer to sections of the School Accounting Manual entitled 7-0300 Year-End Closing Procedures, 7-0400 Cash to Accrual Worksheet-Columnar Accounting Systems, and 7-0500 Cash to Accrual Worksheet-Double Entry Accounting Systems. These sections provide basic year-end accounting procedures and methods for converting the district's records from cash basis to accrual (GAAP) basis. The procedures will assist clerks/business managers in closing the books and preparing the TFS.

### **Blank Forms**

At the MAEFAIRS screen click on Trustees Financial Summary and click on the Reports button. Double left click on the line Trustees Financial Summary. Click on the Blank Trustees Financial Summary Report button. If you want the entire report (a Schedule of Revenues, Expenditures and Changes in Fund Balance for ALL possible funds), click the Entire Report button and then the Run button. If you want to select only your active funds, click the Selected Sections button and pick the funds you want forms for then click the Run button. You can then print selected sections from this screen.

**Full-Service/Special Education Cooperative Hosts:** Must file a TFS SEPARATELY from the host district's TFS. Cooperatives must report activity in the Transportation Fund (310), Retirement Fund (314), Miscellaneous Programs Fund (315), Interlocal Agreement Fund (Fund 382), Schedule of Changes in Fixed Assets, Depreciation and Net Fixed Assets, and the Schedule of Changes in Long-Term Liabilities. Cooperatives with a Payroll Clearing Fund (386) and Claims Clearing Fund (387) must also report Balance Sheets in those funds.

**Interlocal Agreement / Cooperative Fund (Fund 82):**

If the district is the host of a full service/special education cooperative, report the Interlocal Agreement/Cooperative Fund (382) on a SEPARATE TFS FOR THE COOPERATIVE. Report Interlocal Agreement/Cooperative Fund (82) Elementary and High School like any other fund.

**Additional Funds:**

If the district used new funds in the past year, click on the Selected Sections button, click on the Schedule of Revenues, Expenditures, and Changes box, then click on the fund numbers for any new funds. (**NOTE:** New funds **MUST** be authorized funds from the Chart of Accounts, section 3-0200 of the School Accounting Manual).

**Student Extracurricular Activities Fund (Fund 84):**

**MUST BE REPORTED.** Report student extracurricular accounts held by the county treasurer and those accounts outside the county treasurer (i.e., separate checking accounts) as Student Extracurricular Activities Fund (84) financial activity. If the combined elementary and high school district share one extracurricular fund for both districts, combine all activities and report it on either the elementary or high school district TFS. (**NOTE:** Usually the high school district TFS is used.)

**Districts That Will Become K-12 Next Year:**

Must report **separately** for elementary and high school for this year-end, as in the past. The K-12 district is created effective July 1, so the activities of combining funds to become a K-12 district will be reported on the **next year's TFS**.

**Nonoperating Districts:****First Year Non-Operating - Fund 19 Budget Required:**

Establish Fund 19

1. The district will need to send a letter to the county treasurer requesting Non-Operating Fund (19) be opened effective June 30, 2009. Opening the fund effective for FY2008-09 makes it easier to record residual equity "transfers-out" of your operating funds and residual equity "transfers-in" to the Non-Operating Fund as of the end of FY2008-09.
2. Within Fund 19, the district should create Revenue Code 9710-Residual Equity "transfers in". The district will use this revenue code in Fund 19 to record the fund balances transferred-in from other funds except Misc. Programs Fund 15 or Debt Service Fund 50, which should not be transferred to Fund 19 (MCA 20-9-505).
3. The district should use the following coding for transferring fund balances OUT of every operating fund (except Fund 15 and/or Fund 50): Program 999, Function 9999, and Object 971. More information on transferring balances can be found in the School Accounting Manual, Section 5-0520.20.

4. Balances in the Miscellaneous Programs Fund (15) and Debt Service Fund (50) should NOT be transferred to Fund 19. Those balances should be left intact, as Funds 15 and 50 are authorized for non-operating districts. If your district has Fund 15 and/or 50, you will continue to report financial activity and prepare a budget (Fund 50) while in non-operating status (MCA 20-9-505).

5. The FY2008-09 TFS should reflect all expenditure and revenue activity across all operating funds, as well as the residual equity transfers-out of the ending balances of these operating funds. The FY2008-09 TFS should also reflect the residual equity transfers-in to the Non-Operating Fund 19.

6. If the cash balances in each operating fund are not transferred to the non-operating fund as of June 30, 2009, then each operating fund (except Fund 15 & Fund 50) would need to reflect a "Payable to Other Funds" (liability) in the amount of the fund balance. Accordingly, you would need to record a "Receivable from Other Funds" (asset) in Fund 19 for the cumulative amount of all the payable-to other-funds recorded in the operating funds.

7. For FY2009-10 prepare budgets for the Non-Operating Fund 19 and Debt Service Fund 50 (if applicable). The Non-Operating Fund budget can be used to budget for such items as tuition obligations to other districts, transportation of resident pupils, maintenance of district-owned property, and any other non-operating school function considered necessary by the trustees or required by law.

More information on transferring balances for a non-operating district can be found in the School Accounting Manual, Section 5-0520.20

Complete the Trustees' Financial Summary as usual: Complete the Project Reporter Code Report, Balance Sheets for funds 15, 19, 50 including the Schedule of Changes in Fixed Assets, Schedule of Changes in Long-Term Liabilities, and the Schedule of Revenues, Expenditures, and Changes in Fund Balance for all funds (01, 10, 13, etc.) including Fund 19 (be sure to report the balance transferred using the accounts described above), and the Detail Expenditures Report.

**Second and Third Year of Non-Operating Status:**

If the school district becomes operating the second or third year, contact OPI at 444-4401 for specific instructions. Otherwise complete the Project Reporter Code Report, Balance Sheets for funds 15, 19, 50 including the Schedule of Changes in Fixed Assets, Schedule of Changes in Long-Term Liabilities, and the Schedule of Revenues, Expenditures, and Changes in Fund Balance for funds 15, 19, and 50 and the Detail Expenditures Report. Budgets are required in the second and third year for non-operating districts.



**Where to Send Completed Forms:** Send the forms **to the County Superintendent by August 15**. The County Superintendent must send the forms to the Office of Public Instruction by the second Monday in September. (MCA 20-3-209 and 20-9-213)

**Trustees Changes or Revisions: Administrative Rule 10.10.504** provides:

(5) Revisions to the annual Trustees' Financial Summary report made by the district or cooperative after December 20 of the ensuing fiscal year will not be considered in calculating amounts used for special education reversion or for federal maintenance of effort (MOE) requirements.

(6) Material revisions to the annual Trustees' Financial Summary submitted by December 20 shall be accepted, limited to the following types of adjustments:

(a) Coding revisions between revenue or expenditure line items providing no change occurs in the fund balance of budgeted funds;

AND

(b) Revisions in balance sheet accounts provided no change occurs in the fund balance of budgeted funds.

(7) Changes that affect fund balance in a budgeted fund or immaterial line item coding changes must be reported as prior period adjustments in the Trustees' Financial Summary for the current year. The district may need to adopt a budget amendment in the current year to record the prior period adjustment within the budget of a fund.

(8) Revisions to the annual Trustees' Financial Summary submitted by December 20 will be filed for information purposes by the Office of Public Instruction.

**Changes to be made by OPI should include the following:**

**1. Photocopy of original TFS with amounts to be revised crossed out and the correct amount written above it.**

**2. When sending balance sheet account revisions please send any expenditure and revenue line item changes that correlate with such changes.**

**After changes have been sent to OPI:**

1. Check to assure that changes have been made and that they are correct.
2. Send copies of changes to the county superintendent

**Fax or mail these changes to  
Attn: Rebecca Phillips  
Office of Public Instruction  
PO Box 20501  
Helena, MT 59620-2501  
406-444-0509 Fax**

## Suggested Procedures for Completing the Trustees' Financial Summary

- 1) Begin by reading the instructions \_\_\_\_\_
- 2) Reconcile year-end cash balances with the County Treasurer, Investment Accounts, and the Student Extracurricular Activities Fund (84) checking account. Refer to section 7-0200 of School Accounting Manual (SAM). \_\_\_\_\_
- 3) Gather necessary items to complete the report:
  - a) Last year's Trustees' Financial Summary (sent by OPI to paper filers) \_\_\_\_\_
  - b) County Treasurer, Investment Account and Student Activity Reconcilements \_\_\_\_\_
  - c) Budgeted "Revenues and Expenditures to Actual" report as of June 30 \_\_\_\_\_
  - d) This year's Trustees' Financial Summary MAEFAIRS blank form \_\_\_\_\_
- 4) Complete year-end adjusting and closing entries:
  - a) **Review the list of accruals from section 5-1600 of SAM** \_\_\_\_\_
  - b) **Complete the checklist from section 7-0300 of SAM** \_\_\_\_\_
  - c) Follow the cash-to-accrual procedures from section 7-0400 and 7-0500 of SAM \_\_\_\_\_
  - d) Complete optional work sheets found in the School Accounting Manual:
    - i) Fixed Asset Ledger Form 6-0100 of SAM \_\_\_\_\_
    - ii) Changes in Fixed Assets 5-1210.40 of SAM \_\_\_\_\_
    - iii) Compensated Absences Liability 6-0200 of SAM \_\_\_\_\_
    - iv) Changes in General Long-Term Debt 5-1310.25 of SAM \_\_\_\_\_
    - v) Federal and State Grants 9-0400 of SAM \_\_\_\_\_
    - vi) Preliminary Budget/Trustees Worksheet is located at: [www.opi.mt.gov](http://www.opi.mt.gov) \_\_\_\_\_
  - NOTE: Preliminary Budget/Trustees Worksheet can also be used for original Budget, Budget Transfers, and Final Adopted Budget for GASB 34.**
  - viii) List of Year End Encumbrances and Accruals [www.opi.mt.gov](http://www.opi.mt.gov) \_\_\_\_\_
  - ix) Budget to Actual Worksheet (MAEFAIRS TFS Reports, Exp Compared to Budget) \_\_\_\_\_
- 5) Report the current year's information in MAEFAIRS:
  - a) Complete the OPI Pre-filled Data Verification checklist (TFS Step 1) \_\_\_\_\_
  - b) Check Budget Amendments and Transfers for accuracy (TFS Step 2) \_\_\_\_\_
  - c) Complete software information (TFS Step 3) \_\_\_\_\_
  - d) Complete the Project Reporter List (TFS Step 4) \_\_\_\_\_
  - e) On the Balance Sheet, Line 01-Cash and Investments (101-119) Less Warrants Payable (620), list this year's ending cash balance for June 30 from the County Treasurer, Investment Accounts, and Student Extracurricular Activities Fund (84) checking account reconcilements for appropriate funds. On the Balance Sheet, report all other assets and liabilities as appropriate (TFS Step5) \_\_\_\_\_
  - f) Report revenue and expenditure line items on a 'rolled up' basis. Paper filers should list revenue and expenditure totals for each fund on the Schedule of Revenues, Expenditures and Changes in Fund Balance following the detailed line items listing for each fund. Be sure to calculate Line 5, Ending Fund Balance (TFS Step 6&7) \_\_\_\_\_
  - g) Line 52-Total Fund Balance/Equity on the Balance Sheet must equal Ending Fund Balance-Line 5 on the Schedule of Revenues, Expenditures and Changes in Fund Balance. If the Balance Sheet is correct, adjust revenues or expenditures. \_\_\_\_\_
  - h) Complete the Expenditure Detail Report (TFS Step 8) \_\_\_\_\_
  - i) Report fixed asset information (TFS Step 9) \_\_\_\_\_
  - j) Check the Special Education Reversion Worksheet for accuracy Report fixed asset information (TFS Step 11) \_\_\_\_\_
  - k) Run Validations. Corrective actions must be resolved. Try to eliminate Warnings also. \_\_\_\_\_
  - l) Send the report to the County Superintendent by August 15. Retain a district copy. \_\_\_\_\_

## **BALANCE SHEET**

### **BALANCE SHEET LINE BALANCES:**

For each line on the Balance Sheet, combine the balances of the appropriate accounts as listed in the instruction detail. For example, in Line 06-Other Current Assets (190-210), enter the sum of the balances recorded in balance sheet accounts numbered 190 through 210 for each fund. Districts using a manual columnar accounting system should enter balances shown in column (d) of the 'Cash to Accrual Worksheet - Columnar Accounting Systems Section 7-500 in the SAM.'

### **ASSETS AND OTHER DEBITS:**

#### **Line 01. Cash and Investments (101-119) Less Warrants Payable (620):**

Enter cash and investments for each fund held by the County Treasurer or by the district on June 30. Include cash held in separate bank accounts, investment accounts, and petty cash accounts. Include Interest Receivable on Investments on this line. If the district does not use a payroll and claims clearing fund, subtract the 6/30 balance of Warrants Payable (620) in that fund from the sum of accounts 101 through 119 and enter that total. If the district uses a payroll and/or claims clearing fund, warrants payable are recorded only in those clearing funds, so the district will not have a Warrants Payable (620) balance to subtract from Cash and Investments on this line.

GASB 31 - If your county treasurer reports a gain or loss on investments on June 30th, increase or decrease Line 01-Cash and Investments (101-119) as necessary. Show the gain or loss in revenue source 1530 Net Increase (Decrease) in the Fair Value of Investments. If the gain or loss is material (more than 5% of a fund's total assets before gain/loss), contact Rebecca Phillips at 444-0783.

In the Payroll Fund (86) and Claims Fund (87) ONLY, include the balance of accounts 101 through 119 in Line 01-Cash and Investments (101-119). Enter the balance of Warrants Payable (620) on Line 23-Warrants Payable (620).

#### **NOTE: REPORTING TAXES RECEIVABLE**

**Taxes Receivable by fund must be entered on this form IF AMOUNTS ARE MATERIAL TO THE FUND. Taxes receivable as of June 30 are required to be reported on the County Treasurer's June report to each district. Notify OPI School Accounting staff if the taxes receivable numbers are not reported by the county treasurer. Taxes receivable, if material, should be entered on Line 02-Taxes Receivable-Real and Personal (120-149) and Line 03-Taxes Receivable-Contested (150-159). Taxes receivable should also be reported as Line 25-Deferred Revenue (680). Total Line 02-Taxes Receivable-Real and Personal (120-149) Less Warrants Payable (620) and Line 03-Taxes Receivable-Contested (150-159) and include the amount in the total of Line 25-Deferred Revenue (680). See Section 5-0220 in the SAM for further information.**

**Line 02. Taxes Receivable-Real and Personal (120-149):**

Enter the real and personal property taxes receivable for each fund as of June 30, as reported to the district by the County Treasurer. See section 5-0220 RECORDING TAX REVENUES and account definitions on section 3-0400 of the SAM. Include the amount from Line 02-Taxes Receivable-Real and Personal (120-149) in the total on Line 25-Deferred Revenues.

If the district recorded allowances for uncollectible taxes, SUBTRACT the balances in accounts 129 Allowance for Uncollectible Taxes-Real Property, 139 Allowance for Uncollectible Taxes-Personal Property, and 149 Allowance for Uncollectible Taxes-Other, from the total of taxes receivable accounts and enter the NET amount on Line 02-Taxes Receivable-Real and Personal (120-149) and on Line 25-Deferred Revenue (680).

**Line 03. Taxes Receivable-Contested (150-159):**

Enter the amount of **contested taxes receivable** for each fund outstanding as of June 30 as reported to the district by the County Treasurer. See section 5-0200 Revenues and Receivables and account definitions in section 3-0400 Balance Sheet Account Definitions in the SAM. Include the amount in Line 03-Taxes Receivable-Contested (150-159) in the total on Line 25-Deferred Revenue (680).

If the district recorded allowances for uncollectible contested taxes, SUBTRACT the balance in Allowance for Uncollectible Taxes - Contested Taxes (159) from the total of taxes receivable accounts and enter the NET amount on Line 03-Taxes Receivable-Contested (150-159).

**Line 04. Receivables from Other Funds (160-179):**

(RARE) Enter the balances of general ledger accounts-Interfund Loan Receivable from Other Funds (160) and Due from Other Funds (170). Remember that the total of amounts included on Line 04-Receivables from Other Funds (160-179) for all funds combined must equal the total of amounts of Line 21-Payables to Other Funds (601-606) for all funds combined. Receivables from other School Districts (such as between a high school and elementary) are included on Line 05-Due from other Governments (180).

**The use of Interfund Loans Receivable From Other Funds (160) and Due From Other Funds (170) is limited.** Interfund Loans Receivable from Other Funds (160) is generally used only to record the loan from one fund to a budgeted fund to cover a deficit cash balance as of June 30. Recording this loan transaction is optional. Due from other Funds (170) is used to record the amount receivable on June 30 for goods and services provided by one fund, usually a proprietary fund, to another fund of the same district. See account definitions in section 3-0400 and section 5-0520.50 Interfund Loans in the SAM.

**Line 05. Due from Other Governments (180):**

Enter the balance of account (180). Receivables from Other School Districts are included on this line. Common items entered here are:

General Fund (01) --Tuition due to the district but not received by June 30; joint district collections of another county which were not received into the district's funds by June 30.

School Food Fund (12) -- Federal reimbursements not received by June 30 for claims through the month of June; State match for the year to be received in July or August.

Miscellaneous Programs Fund (15) -- Federal and state grant reimbursements not yet received for expenditures made by June 30.

Traffic Ed Fund (18) -- Reimbursement to be received in August for Drivers' Education program.

Amounts reported on Line 05-Due From Other Governments (180) should be included in the line items revenue amounts on the Schedule of Revenues, Expenditures and Changes in Fund Balance. For example, a school food fund receivable on Line 05-Due From Other Governments (180) should also be recorded as revenue source 4550. See section 5-0240.30 Reimbursement-Type Grants and 5-0250.00 Revenues from other Districts/State and County Governments in the SAM.

**Line 06. Other Current Assets (190-210):**

Enter the sum of the balances of Accounts Receivable (190) through Bond Proceeds Receivable (210) on this line.

(RARE) If the district recorded an allowance for uncollectible accounts receivable, SUBTRACT the balance of-Allowance for Uncollectible Accounts Receivable (199) from the total of accounts 190 through 210, and report the NET amount on Line 06-Other Current Assets (190-210). See account definitions in section 3-0400 of the SAM.

**Line 07. Inventories (220 & 230):**

Enter the value of supplies on hand on June 30, if the amount is material to the fund. Include both Inventories for Consumption (220) and Inventories for Resale (230). See section 5-0600 supplies in the SAM. If you use the Purchases Method, MAEFAIRS will pre-fill Line 36-Reserve for Inventories (951).

If you use the **Consumption Method** check the box on the MAEFAIRS balance sheet which will turn off the automatic pre-fill of the Reserve for Inventories line.

**Line 08. Prepaid Expenses (240):**

Enter the balance of Prepaid Expenses (240). See Section 5-0700 Prepaid Expenses in the SAM. If no material pre-payments of items such as insurance or rent were paid as of 6/30, leave the line blank. Remember that payments included in Prepaid Expenses (240) should not be included as expenditures charged this year on the Schedule of Revenues, Expenditures and Changes in Fund Balance.

**Line 09. Deposits (250):**

(RARE) Enter the balance of Deposits (250). See the account definition in Section 3-0400 of the SAM.

**Line 10. Land and Land Improvements (311- 322):**

Enter the total of the Land (311) and Land Improvements (321) accounts.

**Line 11. Buildings and Building Improvements (331 & 332):**

Enter the balance of Buildings (331) and Building Improvements (332).

**Line 12. Machinery and Equipment (341 & 342):**

Enter the balance of Machinery and Equipment (341).

If the district records depreciation of machinery and equipment (RARE - proprietary funds 70-79 and fiduciary funds only), SUBTRACT the balance of Allowance for Depreciation of Machinery and Equipment (342), and enter the NET amount. See the account definitions in section 3-0400 Balance Sheet Account Definitions of the SAM.

**Line 13. Construction Work in Progress (351):**

Enter the balance of Construction Work in Progress (351). A district would have a balance in account 351 ONLY IF a construction project is in progress on June 30. See section 5-1400 Construction Work in Progress in the SAM.

**NOTE: Reporting fixed assets—Line 10 through 13 are reported in proprietary and fiduciary funds only! See Section 5-1200—Fixed Assets in the SAM.**

**NOTE: School districts having a yellowbook or A-133 audit are required to report fixed assets on the Schedule of Changes in Fixed Assets (SCFA). See Section 5-1210.40 Schedule of Changes in Fixed Assets in the SAM.**

## LIABILITIES

### **Line 20. Total Assets and Other Debits:**

Enter the total of Line 1 through Line 19 on Line 20-Total Assets and Other Debits.

### **Line 21. Payable to Other Funds (601- 610):**

(RARE) Enter the sum of Interfund/Loan Payable to Other Funds (601) and Due To Other Funds (606). See section 5-0520.50 Interfund Loans and account definitions in section 3-0400 in the SAM. Remember, the total of amounts on Line 04-Receivables from Other Funds (160-179) for all funds combined must equal the total of amounts on Line 21-Payable to Other Funds (601-606) for all funds combined. Payable to Other School Districts is listed on Line 22-Due to Other Governments (611).

Interfund/Loan Payable to Other Funds (601) and Due To Other Funds (606) **are used on a limited and optional basis.** Interfund/Loan Payable to Other Funds (601) is usually used only to record error corrections between funds. Due To Other Funds (606) is used only for the amount owed for goods and services provided to the fund by another fund of the district.

### **Line 22. Due to Other Governments (611):**

Common items included here are:

General Fund (01) -- Refunds of state or Federal grant money owed to another district, OPI or other state agency, or a Federal agency, on June 30.

Tuition Fund (13) -- Tuition which should have been paid to another district by June 30, but was not.

Miscellaneous Programs Fund (15) -- Refunds of state or federal grant money owed to another district, OPI or other state agency, or a federal agency, on June 30. Include unspent grant money that must be returned to the grantor, amounts owed to a grantor because of a disallowed expenditure, etc. See account definition in section 3-0400 of the SAM. Include all payables due to other school districts or cooperatives on this line.

### **Line 23. Warrants Payable (620):**

Enter the balance of Warrants Payable (620) **only in the Payroll Fund (86) and Claims Fund (87).** If a district or cooperative does not use a payroll or claims clearing fund, Warrants Payable (620) for the fund are subtracted from Cash and Investments (101-119), so do not enter Warrants Payable (620) on Line 23. See the account definition in section 3-0400 of the SAM.

**Line 24. Other Current Liabilities (621- 679):**

Enter the total of current liability accounts numbered 621 through 679. Common liabilities included here are:

Any fund -- Accrued salaries and benefits, accrued Workers' Compensation and payroll taxes, accrued costs of goods and services received but not paid for by June 30.

Remember: Amounts included in Other Current Liabilities (621-679) should also be included in the line item expenditures of the Schedule of Revenues, Expenditures and Changes in Fund Balance for the fund. A year-end list of accruals must be maintained for audit. See account definitions in section 3-0400 of the SAM.

**Line 25. Deferred Revenue (680):**

Enter the balance of Deferred Revenue (680). See section 5-0200 Revenues and Receivables in the SAM.

Common deferred revenues included here are:

General Fund (10) -- Taxes Receivable; Special Education Allowable Costs Reversion.

Transportation (10), Bus Depreciation (11), Adult Ed (17), Non-Operating (19), Debt Service (50), Building Reserve (61) -- Taxes Receivable.

**Line 26. Other Liabilities (690- 699):**

(RARE) Enter the sum of Deposits Payable (690) and Due to Fiscal Agent (695). See account definitions in section 3-0400 of the SAM.

**NOTE: REPORTING LONG-TERM DEBTS: Reporting long-term liabilities is required. School districts having a yellowbook or A-133 audit are required to report long-term liabilities on the Schedule of Changes in Long-Term Liabilities (SCLTL). See Section 5-1310.25 Schedule of Changes in Long-Term Liabilities in the SAM. If long-term debts were recorded in proprietary funds 70-79, enter the amounts of long-term debt in the appropriate proprietary fund column(s).**

**Line 28. Notes Payable-Noncurrent (720):**

Enter the balance of Notes Payable-Noncurrent (720). This line is for the outstanding loan principal as of June 30. See section 5-1340 Notes/Long-Term Loans and account definitions in section 3-0400 of the SAM.

**Line 29. Lease Obligations Payable (730):**

Enter the balance of Lease Obligations-Noncurrent (730). This account includes lease-purchase obligations lasting more than one year. It does not include rental-type leases. See section 5-1330 Leases and account definitions in section 3-0400 of the SAM.



**Line 30. Contracts and Judgments Payable (740-750):**

(RARE) Enter the sum of the balances of Contracts Payable (740) and Judgments Payable (750). See section 5-1360 Claims and Judgments Payable and account definitions in section 3-0400 of the SAM.

**Line 31. Compensated Absences Payable (760):**

Enter the balance of Compensated Absences Payable (760) This line is for the total of sick leave and vacation leave liability plus any other related liabilities (i.e., TRS, PERS, FICA, Workers' Comp., Unemployment Comp.) for all district employees who are entitled to payouts upon termination. See Sections 5-1350 and 6-0200 in the SAM for further information.

(RARE) If proprietary funds (70-79) are used, any compensated absences liability for employees paid from those funds should be reported in the appropriate proprietary funds column. See section 5-1350 Compensated Absences in the SAM for further information.

**NOTE: This amount is not necessarily the same as the accumulated total in the Compensated Absences Fund,** which is limited by law to 30% of the sick leave payout liability (25%) and vacation leave payout liability (100%) for NON-TEACHING AND ADMINISTRATIVE personnel of the preceding school fiscal year. Line 31-Compensated Absences Payable (760) should include the FULL liability for ANY employees entitled to future payouts as of June 30. See Sections 5-1350 and 6-0200 in the SAM for further information.

**Line 35. Total Liabilities:**

Enter the sum of Line 21 through Line 34 on Line 35-Total Liabilities.

## **FUND BALANCE/EQUITY SECTION**

### **Line 36. Reserve for Inventories (951):**

If using the Purchases Method of accounting for inventories the amount of Reserve for Inventories (951) will automatically pre-fill from line 07-Inventories (220-230). Check to assure that these two lines have the same amount. This account is not used if the Consumption Method of accounting for inventories is used.

### **Line 37. Reserve for Encumbrances (953):**

Enter the amount of Reserve for Encumbrances (953). The amount must be the total of all encumbrances for the fund. This amount must equal the year-end list of encumbrances retained for audit. Remember the encumbrances must also be included in the line item expenditures of the Schedule of Revenues, Expenditures and Changes in Fund Balance for the fund. See Section 5-0400 in the SAM for further information.

### **Line 38. Reserve for Endowments (954):**

Enter the amount of Reserve for Endowments (954) for Fund 81, Endowments only.

### **Line 41. Unrestricted Net Assets (940):**

Subtract Line 35-Total Liabilities and total of reserves [Line 36-Reserve for Inventories (951), Line 37-Reserve for Encumbrances (953), Line 38-Reserve for Endowments (954), Line 50-Invested in Capital Assets, and Line 51-Restricted Net Assets (930)] from Line 20-Total Assets and Other Debits. When using MAEFAIRS, the amount for Line 41 should automatically calculate. This line should be greater than or equal to zero. If it is zero or negative, the district should be able to explain to the auditor how this deficit will be eliminated.

### **Line 45. Assets Held In Trust (980):**

Subtract Line 35-Total Liabilities and total of reserves [Line 36-Reserve for Inventories (951), Line 37-Reserve for Encumbrances (953) and Line 38-Reserve for Endowments (954)] from Line 20-Total Assets and Other Debits. When using MAEFAIRS, the amount for Line 45 should automatically calculate. This line should be greater than or equal to zero. If it is zero or negative, the district should be able to explain to the auditor how this deficit will be eliminated. This amount must equal the amount reported as fund balance for budget Line TFS 48 on the ensuing year's budget form.

### **Line 48. Fund Balance for Budget (961- 970):**

Subtract Line 35-Total Liabilities and total of reserves [Line 36-Reserve for Inventories (951), Line 37-Reserve for Encumbrances (953) and Line 38-Reserve for Endowments (954)] from Line 20-Total Assets and Other Debits. When using MAEFAIRS, the amount on Line 48 - Fund Balance for Budget (961-970) should automatically calculate. This line should be greater than or equal to zero. If it is zero or negative, the district should be able to explain to the auditor how this deficit will be eliminated. This amount must equal the amount reported as fund balance for budget Line TFS 48 on the ensuing year's budget form.

**Line 50. Invested in Capital Assets, Net of Related Debt:**

(RARE) Line 50-Invested in Capital Assets, Net of Related Debt, (921) applies to proprietary funds (70-79). Enter the balance of Invested in Capital Assets, Net of Related Debt (921) **only** in proprietary type funds (70-79). See account definition in section 3-0400 of the SAM.

**Line 51. Restricted Net Assets:**

(RARE) Line 51-Restricted Net Assets applies to proprietary funds (70-79). Enter the sum of Restricted Net Assets. See account definitions in section 3-0400 of the SAM.

**Line 52. Total Fund Balance/Equity:**

Enter the total of Lines 36 through 51 on Line 52-Total Fund Balance/Equity. Line 52-Total Fund Balance/Equity on the Balance Sheet must equal the ending fund balance on the Schedule of Revenue, Expenditures and Changes in Fund Balance.

**Line 53. Total Fund Balance/Liability:**

Enter the total of Line 35-Total Liabilities and Line 52-Total Fund Balance/Equity on Line 53-Total Fund Balance/Liability. Line 53-Total Fund Balance/Liability should equal Line 20-Total Assets and Other Debits.

## **SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

### **REVENUES AND OTHER FINANCING SOURCES**

#### **Preliminary Budget / TFS Work Sheet:**

These worksheets are optional and can be used to roll up expenditures as discussed later. These worksheets can be found on the OPI web page at: [www.opi.mt.gov](http://www.opi.mt.gov) in the School Finance/Budgets area.

For revenue and expenditure account definitions, see section 3-0500 and 3-0600, Chart of Accounts in the SAM.

**Additional Revenues and Expenditures:** If a fund's revenues or expenditures do not fit in the codes provided, use the blank lines at the end of the each fund's Schedule of Revenue, Expenditures and Changes in Fund Balance to report.

**Revenue Accounts (1000- 4999):** are considered **Current Revenues** as reported on this schedule.

GASB 31 - If your county treasurer reports a gain or loss on investments on June 30th, show the gain or loss in revenue source 1530 Net Increase (Decrease) in Fair Value of Investments. If the gain or loss is material (more than 5% of total assets before gain/loss), contact Rebecca Phillips at 444-0783.

**Revenue Accounts (5000- 9710):** are considered **Other Financing Sources, Prior Period Revenue Adjustments, and Residual Equity Transfers In.**

Revenue accounts are listed by two-digit fund number and four-digit source code. Enter actual revenues, including cash revenues and revenue accruals. Do not include revenue accrued last year. Project reporter codes are used in the Miscellaneous Programs Fund (Fund 15), in budgeted funds to report Budget Amendment and Cash and/or Budget Transfers between funds, and can be used in the Endowment Fund (Fund 81 optional).

The total of revenue accounts 1000 - 9710 is calculated at the end of the revenue section for each fund.

#### **Federal or State Grant Funds Received from Coops:**

**Revenue Code 5700- Resource Transfers from Other School Districts or Cooperatives** is used when a school district receives lump sum federal or state grant money through a coop rather than receiving the money directly from a state or federal agency. Use expenditure program in the 300 or 400 series for this type of revenue.

### **Special Education Non Federal Resources Transferred From Other School Districts or Coops:**

Revenue Code 5710-Special Education Resources Transferred From Other School Districts or Cooperatives is used when a school district receives lump sum payment from another school district or coop for the provision of special education services. Use expenditure program 280 for this type of revenue.

Refer to the account definition in section 3-0500 of the SAM.

Revenues must be reported using a fund number and a four-digit revenue source code (example, 01-2110). **DO NOT ROLL- UP REVENUES.**

### **EXPENDITURES AND OTHER FINANCING USES**

**Expenditure object accounts (100- 889):** are considered **Current Expenditures** as reported on this schedule.

**Expenditure object accounts (892- 972):** are considered **Other Financing Uses, Prior Period Expenditure Adjustments and Residual Equity Transfers Out** and are included on the Schedule of Revenues, Expenditures and Changes in Fund Balance, following current expenditures.

Expenditure accounts are listed by fund, program, function, expenditure object, and project reporter code (where appropriate). Report actual expenditures, including cash expenditures (mandatory), accrued expenditures (mandatory), and encumbrances (optional). On the form, account numbers that contain 'X' indicate the balances should be combined ('rolled up') into one balance at the level of detail indicated by the number to the left of the 'X.' The 'X' stands for the numbers zero through 9. Refer to the SAM for a valid expenditure account list.

Example:

**\_01 1XX 1XXX 1XX Personal Services-Salaries** means:

\_01 General Fund

1XX Programs 100 through 199 Regular Education Programs

1XXX Functions 1000 through 1999 Instruction

1XX Expenditure Objects 100-199 Personal Services -- Salaries

Therefore, the sum of expenditures charged to accounts \_01-100-1000-100 through \_01-199-1999-199 should be reported as one amount on the 01 1XX 1XXX 1XX expenditure line provided on the schedule.

Any additional expenditures you report, **must** be rolled up the same way -- by fund, program, function, and expenditure object **USING THE FOLLOWING INSTRUCTIONS.**

**"ROLL-UP" INSTRUCTIONS:**

MAEFAIRS will not allow the use of incorrect combinations of coding in each fund. If your coding combination is not enterable in MAEFAIRS, recode to an acceptable coding combination.

**Fund Code:** Select fund codes using two digits (i.e., 01, 10, 11 . . .)

**Program Code:** Select program codes using three digits (Examples: 421 would be rolled-up to 4XX and 100 -160 must be rolled up to 1XX).

**Function Code:** The ONLY function codes shown on the Schedule of Revenue, Expenditures and Changes in Fund Balance should be: 1XXX, 21XX, 221X, 222X, 23XX, 24XX, 25XX, 26XX, 27XX, 28XX, 31XX, 32XX, 33XX, 34XX, 35XX, 4XXX, 5XXX, 61XX, 62XX, 63XX, 9999, XXXX.

**Expenditure Object Code:** Report most expenditure object codes rolled up to the first digit (i.e., 513 and 518 must be reported together using 5XX.) **The 800 and 900 object levels can NOT be rolled up and must be shown as 810- 999.**

**Exceptions:** Student Extracurricular Activities Fund (84) revenue is shown as \_84-1XXX and Student Extracurricular Activities Fund (84) expenditure is shown as \_84-7XX-3XXX-XXX. Retirement Fund (14) expenditure is shown as \_14-999-9999-2XX when reported using the undistributed method only.

**PROJECT REPORTER CODES**

**PROJECT REPORTER (PRC):** Enter a unique, three-digit project reporter code. (i.e., 001) Do NOT use 000 or 900-999.

**Title:** Select a project name from the dropdown list OR enter the grant or project name. (i.e., IDEA-B). Selecting from the dropdown list will pre-fill the Title, CFDA Number and Type, if applicable.

**Type:** Select Federal, State or Local from the dropdown list.  
4-1100 Check list for Final Budget Reports July 2000 4-1100-68  
Projects from the 'Prior Year' are automatically selected to use again this year.

**Project Number:** Enter the complete grant or project number, as assigned by OPI or other grantor. (i.e., 5609657701)

**CFDA Number (Catalog of Federal Domestic Assistance Number): Federal Grants Only**

1 Federal projects -- obtain the CFDA Number from the OPI web page at [www.opi.mt.gov](http://www.opi.mt.gov) under Federal Grants. State and Local projects will NOT have a CFDA Number

**Grants:** The district must assign a unique three-digit project reporter code to the revenue and expenditure accounts used for each local, state and federal grant. Do not use numbers 900 - 999, which are reserved for OPI use and assignment. Generally, grants are expenditure-driven. Total revenues should equal total expenditures for each grant. Refer to section 5-0200 of the SAM.

**Budget Amendments:** OPI assigns a project reporter code to each general fund budget amendment (910-919) to be used to report budget amendment expenditures. List the budget amendment line item expenditures separately from other line item expenditures using the assigned project reporter code to distinguish them. It is necessary to identify budget amendment expenditures using the assigned project reporter code to ensure budget amendment expenditures are properly reported. If the assigned project reporter code is not used to identify the budget amendment expenditures, it will appear the budget amendment was not spent. Refer to section 3-0500 and 3-0600 Project Reporter Codes in the SAM. Contact Nica Carte at 444-4401 or email [ncarte@mt.gov](mailto:ncarte@mt.gov)

**Cash and/or Budget Transfers:** OPI assigns a project reporter code to each cash or cash and budget transfer (950 - 959) and creates a 9710 revenue code in the fund where the cash (if a cash or cash and budget transfer) was transferred to. An expenditure record is created in the fund where the cash is transferred from using the 999-9999-971 expenditure code. Contact Adam Anfinson at 444-4524 or email [aanfinson@mt.gov](mailto:aanfinson@mt.gov)

## **EMPLOYEE BENEFITS**

### **Health Insurance Benefits:**

DISTRIBUTE and report health insurance benefits to all appropriate funds in all appropriate expenditure programs and functions. DO NOT REPORT HEALTH INSURANCE BENEFITS USING THE UNDISTRIBUTED METHOD.

**Workers' Compensation / Payroll Tax Benefits:** Report workers' compensation/payroll benefits in all appropriate funds using ONLY one of the following options. IF WORKERS' COMPENSATION BENEFITS WERE PARTIALLY ALLOCATED TO FUNCTIONS THIS YEAR AND PARTIALLY NOT ALLOCATED, USE OPTION A.

#### **Option A: Distributed (Preferred Method)**

Add expenditures for health insurance, workers' compensation, and other payroll benefits together for each program and function level (i.e., 1XXX, 21XX, etc.) using object 2XX (Personal Services - Benefits), in the General Fund (01) Schedule of Revenues, Expenditures and Changes in Fund Balance.

#### **Option B: Undistributed**

After entering all salary line items for a fund, enter the combined total of Workers' Compensation expenditures for all functions on the line, '\_01 999

9999 2XX-UNDISTRIBUTED EMPLOYEE BENEFITS' in the General Fund (01) Schedule of Revenues, Expenditures and Changes in Fund Balance. Do not use more than one account.

**Retirement Fund (14):**

REPORT USING ONLY ONE OF THE OPTIONS BELOW. IF RETIREMENT BENEFITS WERE PARTIALLY ALLOCATED TO FUNCTIONS THIS YEAR AND PARTIALLY NOT ALLOCATED, USE OPTION A.

**Option A: Distributed (Preferred Method)**

Enter the retirement benefit expenditures for each program and function level. There should be more than two accounts under Option A (i.e., 1XXX, 21XX, 26XX, etc.).

**Option B: Undistributed**

Enter the combined total of retirement benefit expenditures for all functions (except resource transfers) using one or both of the following expenditure accounts as necessary:

- \_14 999 9999 2XX Employee Benefits
- \_14 280 6200 920 Resource Transfers

Do not use any expenditure accounts other than the two listed above.

For the purposes of determining IDEA Maintenance of Effort (MOE), indirect cost rates, and school statistics, MAEFAIRS will prorate undistributed employee benefits to the corresponding program and function based on the salary amount reported in each program and function for that fund.

Undistributed retirement benefits will be distributed based on total salaries reported in each program, function, and project reporter code for all funds of the district.

**Q: What if I did not have all of my salaries entered before entering 999-9999-2XX amount?**

**A: Enter a zero in the 999-9999-2XX account and distribute again. This will change all the amounts back to zero. Next double check to make sure all the salaries have been entered, add back health insurance expenditures by function, and then redistribute the worker's compensation or retirement benefits.**

**Miscellaneous Programs Fund (15):**

Generally, grants are expenditure driven. Total revenues of each grant should equal total expenditures. Refer to section 5-0200 of the SAM.

Use appropriate project reporter codes for each revenue and expenditure item to identify the grant they represent. On the last page of the Miscellaneous Programs Fund (15), enter the **Total Current Revenues, Other Financing Sources and**



**Residual Equity Transfers In and the Total Current Expenditures, Other Financing Uses and Residual Equity Transfers Out for all project reporter codes.** (These are calculated for MAEFAIRS users.)

**Agency Funds:**

**DO NOT INCLUDE** Miscellaneous Agency Funds A-E (Funds 90 through 94). Agency funds do not have expenditures and revenues when reported in accordance with GAAP. Revenue and expenditures may be used in Agency Funds for management purposes but are not reported on the Trustees Financial Summary.

**DETAIL EXPENDITURE REPORT**

This is a **required supplemental report** of specific expenditures. These expenditures cannot be calculated from information provided in the Schedule of Revenues, Expenditures and Changes in Fund Balance as they are 'Rolled Up'. This specific information is needed by OPI for federal reporting purposes. Report expenditures, including cash expenditures and expenditure accruals plus encumbrances (optional) for all funds, for the specific expenditure line items listed below. **The amounts to report for this form are included in the totals reported on the Schedule of Revenues, Expenditures and Changes in Fund Balance.**

Detail Expenditures/All Funds (Add together the amount for each code listed below from ALL FUNDS and enter in the Detail Expenditure screen.)

<b><u>Account</u></b>	<b><u>Description</u></b>
XXX 26XX 41X	Energy Utility Services
XXX 4XXX 710	Land
XXX 4XXX 715	Land Improvements
XXX 4XXX 720	Purchase of Existing Buildings
XXX 4XXX 725	Major Construction Services
XXX 4XXX 73X	Major Equipment -- New
XXX 4XXX 74X	Major Equipment -- Replacement
XXX XXXX 561	Tuition to Other School Districts Within the State
XXX XXXX 562	Tuition to Other School Districts Outside the State
XXX XXXX 563	Education Fees to Detention Facilities

**Please report teacher salaries (not substitutes or aides) for the following areas and expenditures for textbooks and periodicals:**

1. Do a query for all instructional salaries from any fund = XX-XXX-1XXX-112  
Do not include teacher aides or substitutes.
2. Next deduct the specific salary by program shown below.
3. Report the remaining amount under XX-XXX-1XXX-112

Use the following formula/calculating matrix for determining your **net** Certified Teacher Staff Salaries

XX	XXX	1XXX	112 Certified Teacher Staff Salaries- All	_____
XX	210	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	260	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	280	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	39X	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	427	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	432	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	451	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	452	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	456	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	457	1XXX	112 Certified Teacher Staff Salaries	(_____)
XX	458	1XXX	112 Certified Teacher Staff Salaries	(_____)

XX    XXX    1XXX        112 Certified Teacher Staff Salaries- Net = \_\_\_\_\_

### **1. Regular, Title I, and Other (Not 2, 3, or 4) Teachers**

XX – XXX – 1XXX – 112

### **2. Special Education Teachers**

XX-280-1XXX-112    Local and State Special Education

XX-456-1XXX-112    Federal - IDEA

XX-457-1XXX-112    Federal - IDEA Pre-School

XX-458-1XXX-112    Federal - IDEA Program Improvement

### **3. Vocational Education Teachers**

XX-39X-1XXX-112    Local and State Vo-Ed / Career Technical Education

XX-451-1XXX-112    Federal – Carl Perkins - Basic

XX-452-1XXX-112    Federal – Carl Perkins - Competitive

### **4. Other Programs-Bilingual, Alternative, or At Risk (Drop Out) Education Program**

XX-**210**-1XXX-112 – Non-Federal Alternative Education

XX-**260**-1XXX-112 – Non-Federal Bilingual/ESL

XX-427-1XXX-112 – Federal At Risk Education

XX-432-1XXX-112 – Federal Title III Part English Language Acquisition

### **Textbook Expenditures for Classroom Instruction**

XX-XXX-1XXX-640 Textbooks – Not On Line Services

XX-XXX-1XXX-650 Periodicals – Not On Line Services

To report these expenditures in MAEFAIRS, enter the expenditures screen, select Fund XX in the Fund Code box at the bottom left of the screen. Move to the Program field and enter XXX, tab to the Function field and enter the appropriate numbers or letters, tab to the object field and enter the appropriate numbers, and tab to the

amount and enter the amount determined to be correct for each line item that applies to the district. Exit to the main switchboard screen.

## **Schedule of Changes in Fixed Assets (SCFA)**

**NOTE:** School districts that have a yellow book or A-133 audit must report fixed assets on this schedule. School districts that have a review once every four years are not required to report this information on the TFS, but are still required to maintain a listing of fixed assets and make it available to the auditor.

### **ASSETS**

Activity Type:

The SCFA reports governmental and business-type activities in separate sections.

Governmental Activities usually include the general, special revenue, debt service, capital projects, permanent, and internal service funds. These funds are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-Type Activities are usually reported in enterprise funds.

These funds are financed in whole or in part by fees charged to external parties for goods and services.

Asset:

Choose the asset category from the following list:

- Land
- Land Improvements
- Buildings
- Machinery and Equipment
- Construction in Progress

Enter the beginning balance (beginning of the year, at cost), current year additions (at cost) and current year removals (at cost) for each category of asset.

Choose the accumulated depreciation category from the following list:

- Improvement Accum Depreciation (related to land improvements)
- Building Accum Depreciation
- Machinery and Equipment Accum Depreciation

Enter the beginning balance of depreciation accumulated to date as of the beginning of the year, the accumulated depreciation for current year additions as of the date added, and the accumulated depreciation for any current year removals as of the date the items were removed.

### **DEPRECIATION**

Use this screen to report the amount of current year depreciation, that is, depreciation during the reporting year. Current year depreciation is reported by function for governmental and/or business-type activities. Depreciation on assets that can be allocated to a particular function (s) should be reported using that function code or

codes. For example, the current year depreciation for a bus barn would normally be reported under '27XX Transportation.' Depreciation on assets that cannot be easily allocated to a particular function may be reported under 'Unallocated.' For example, depreciation of a school building would normally be reported under 'Unallocated.'

**NOTE:** Ending balance and totals are computed by MAEFAIRS. MAEFAIRS will bring forward the previous year's ending balances as beginning balances. Acquisition cost for each category is listed first. Accumulated depreciation for Land Improvements, Buildings, and Machinery & Equipment is listed next (Land and Construction-in-Progress is not depreciated).

### **Schedule of Changes in Long-Term Liabilities (SCLTL)**

**NOTE:** School districts that have a yellow book or A-133 audit must report long-term liabilities on this schedule. School districts that have a financial review once every four years are not required to report this information on the TFS, but are still required to maintain a listing of long-term liabilities and make it available to the auditor.

The SCLTL reports governmental and business-type activities in separate sections. **Governmental Activities** are usually reported in the general, special revenue, debt service, capital projects, permanent and internal service funds. These funds are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. **Business-type Activities** are usually reported in the enterprise funds. These funds are financed in whole or in part by fees charged to external parties for goods and services.

School districts will report beginning balance, new debt and other additions, principal payments, refunding and other reductions, and current portion (due in the next fiscal year) for long-term debt in the following categories:

- Capital Leases
- Compensated Absences
- Intercap Loan Payable
- Special Improvements (SIDs)
- Other long-term loans

**NOTE: General Obligation Bond information will be pre-filled by MAEFAIRS. Districts with outstanding bonds payable should check the pre-filled information and contact OPI as soon as possible if it is incorrect.**

**Ending balance, totals and long-term portion (due beyond the next fiscal year) will be computed by MAEFAIRS. MAEFAIRS will bring forward the previous year's ending balances as beginning balances for the current year.**

Suggested backup documentation for each category is listed as follows:

Capital Leases--lease payment schedule

Compensated Absences--compensated absences worksheet

Intercap Loan Payable--Intercap loan payment schedule

Special Improvements (SIDs)--SID payment schedule

**NOTE:** Report only **PRINCIPAL** balances, payments, etc. Do not include the interest portion of the payment schedule.

Current Portion of Long-Term Debt: The current portion is the principal amount that is due in the next fiscal year. For debt that is documented with a payment schedule (see above suggested backup documentation), this amount should be obtained by looking at the payment date(s) and determining how much principal is due in the next fiscal year. For Compensated Absences, OPI suggests one of two options for reporting current portion:

1. Report zero.
2. Determine if the district has been notified of retirements and/or terminations that will take place in the next fiscal year (for example, teachers who take an early retirement incentive). Estimate the portion of compensated absences for the employee(s) and report the total as current portion.

## GRANT CODING

### LIST OF COMMON EXPENDITURE DRIVEN GRANTS

The following common grants and programs are required to be reported on the TFS reporting equal revenues and expenditures for the year. If cash received exceeds disbursements at 6/30, reduce revenue to equal expenditures and report the excess balance as deferred revenue, or report as a liability ('Due to Other Governments') if the unused receipt must be returned to the grantor. If cash received is less than disbursements, report the unreceived but claimed amount as a receivable ('Due from Other Governments.')

Grant	Revenue Source	Expenditure Program	CFDA Number
21st Century Community Learning (Title IV, Part B)	4340	434 (student exp)	84.287
21st Century Community Learning (Title IV, Part B)	4340	650(adult basic ed exp)	84.287
Adult Basic & Literacy Education (ABLE)	4540	454	84.002
Adult Basic Ed State	3620	650	State
Advanced Placement Incentive Grant	4290	429	84.330C
Education of Homeless Children (Title X, Part C)	4380	438	84.196
Emergency Immigrant Ed	4650	465	84.162A
GEAR UP	4710	471	84.334
Gender Equity	4700	470	84.048A
Gifted & Talented State	3600	360	State
Goals 2000	4100	410	84.276A
Head Start	4110	411	93.600
IDEA, Part B, Children with Disabilities	4560	456	84.027
IDEA Preschool	4570	457	84.173A
IDEA, Part D, (State Program Improvement)	4580	458	84.029
In State Day Treatment	3290	329	State
Jobs for Montana Graduates	3290	329	State
Johnson O'Malley	4140	414	15.130
Learn & Serve	4650	465	94.004
Local Gov Sev Tax (LGST)	3290	1XX	State
Native American Schl (Repair&Renovation)	4100	410	84.352B
Resource Transfers (State or Federal Grants)	5700	3XX or 4XX	State or Federal
Resource Transfers Dist/Coops (Local/State Spec Ed Funds)	5710	280	Local
State Audiology Contracts	3235	274	State

Grant	Revenue Source	Expenditure Program	CFDA Number
Title I, Part A, Improving Basic Programs	4200	420	84.010A
Title I, Part A, Accountability	4210	421	84.348A
Title I, Part A, Improvement Grants	4220	422	84.010A
Title I, Part B, Subpart 1, Reading First	4230	423	84.357
Title I, Part B, Subpart 3, Even Start	4240	424	84.213
Title I, Part C, Migrant Education	4250	425	84.011A
Title I, Part C, Migrant Incentive	4260	426	84.011
Title I, Part D, Neglected, Delinquent & At-Risk Youth	4270	427	84.013A
Title I, Part F, (Comprehensive School Reform)	4280	428	84.010B
Title I, Part G, Advanced Placement	4290	429	84.330C
Title II, Part A, (Teacher & Principal Training & Recruiting)	4300	430	84.367
Title II, Part D, Educational Technology	4310	431	84.318
Title III, Part A, (English Language Acquisition&Enhancement)	4320	432	84.003
Title IV, Part A, (Safe & Drug-Free Schools & Communities)	4330	433	84.186A
Title IV, Part B, (21st Century Community Learning Centers)	4340	434	84.287
Title V, Part A, Innovative Programs	4350	435	84.298
Title V, Part D, Subpart 3, (Character Education)	4360	436	84.215V
Title VI, Part B, Subpart 1, (Small Rural Schools (SRS))	4120	412	84.358
Title VI, Part B, Subpart 2, (Rural Low-Income Schools (RLI))	4370	437	84.358
Title VII, Indian Education	4130	413	84.060
Title X, Part C, (Education of Homeless Children & Youth)	4380	438	84.196
Vo Ed Carl D Perkins-Basic	4510	451	84.048A
Vo Ed Carl D Perkins-Comp	4520	452	84.048A
Vo Ed Carl D Perkins-TP	4720	472	84.243A

## LIST OF COMMON ENTITLEMENTS

Entitlements usually have no or few restrictions as to how funds can be spent. Revenues may be recorded on the modified accrual basis and do not have to equal expenditures on the Trustees' Financial Summary.

Entitlement	Revenue Source	Expenditure Program	CFDA Number
Impact Aid	4820	Any	84.041
State Technology Grant	3281	Any	State
State Flexibility Fund Allocation	3282	Any	State
Vo Ed All Programs	3900	390	State
Vo Ed Agriculture	3900	391	State
Vo Ed Business/Marketing	3900	392	State
Vo Ed Health Occupations	3900	393	State
Vo Ed Family & Consumer Sciences	3900	394	State
Vo Ed Tech Ed/Industrial Arts	3900	395	State
Vo Ed Office Occupations	3900	396	State
Vo Ed Trades & Industry	3900	397	State
OTO Energy Cost Relief	3630	363	State
OTO Weatherization & Deferred Maintenance	3640	364	State
OTO Indian Education for All	3650	365	State
OTO Capital Investment & Deferred Maintenance	3660	366	State
OTO Full-Time Kindergarten Startup	3670	367	State
OTO K-12 Data Education Systems	3680	368	State

## LIST OF COMMON REIMBURSEMENTS

Reimbursement payments provide the grantee spends funds first, the grantor then reimburses the grantee for the expenditures. Revenues do have equal expenditures for reimbursements.

Grant	Revenue Source	Expenditure Program	CFDA Number
School Food Commodities	4550	910	10.550
School Food Breakfast	4550	910	10.553
School Food Lunch	4550	910	10.555
School Food Milk	4550	910	10.556
School Food Snacks	4550	910	10.558
School Food Summer Program	4555	910	10.559
School Food Nutrition Training	4550	910	10.564
State Driver's Education Reimbursement	3260	1XX	State